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RENMIN RIBAO ASSESSES U.S. BUDGET DEFICIT

HK130801 Beijing RENMIN RIBAO in Chinese 10 Feb 84 p 7

[*"Newsletter from America"* by Zhang Yunwen: "The Debate Over the U.S. Budget Deficits"]

[Text] In the last few days, the attention of the U.S. media has been focused on the federal budget for the fiscal year 1985, which the President submitted to Congress, and the President's economic report. Of this, people are particularly concerned with the problem of huge deficits.

It is estimated that government receipts in the next fiscal year will be \$745.1 billion and its expenditure, \$925.5 billion; there will thus be a projected deficit of \$180.4 billion in the next fiscal year. There have always been different views on the solutions to these huge deficits and their future development between the Republican and Democratic Parties and among administration officials, and a debate over these issues has now broken out. Martin Feldstein, chairman of the President's Council of Economic Advisers and David A. Stockman, director of the Office of Management and Budget, criticized the budget worked out by the President as unable to solve financial difficulties. White House spokesman Larry Speakes held that the budget was "practical." Together with economists, such as the chairman of the Federal Reserve Board, they argue that tax reductions, increases in military spending, and the economic recession serve as the main cause for current deficits and some administration officials headed by Treasury Secretary Donald Regan maintain that the deficits are the results of excessively large government expenditure. Therefore, on the solutions to the problem of deficits, the former stand for tax increases and cuts in military spending and the latter vigorously advocate reductions in expenditure on nondefense matters.

According to the President's budgetary report, the deficits will fall to \$123 billion by 1989. This estimation is based on preconditions such as the growth rate of the American GNP being maintained at the level of 4 to 4.5 percent in the next 5 years; short-term interest rates dropping from the present 9 percent to 5 percent in 1989; and the inflation rate being around 3.5 percent by 1989. Economic and press circles unanimously hold that this government estimation is overly optimistic, because there has never been such a prolonged economic recovery since World War II. Given the reality of huge deficits, it is hard to assume that there will be such a drastic fall in interest rates. Consequently, there is another estimate by the Congressional Budget Office, namely, that the budget deficits will reach \$194 billion in 1985 and rise year by year, that they will total \$325 billion by 1989, and that economic growth will slow down and the inflation rate will be higher than the government has predicted.

Many people point out that the interest on the national debt is a huge expenditure that is the hardest to control. The national debt has risen to \$1,400 billion. The growth of the expenditure required to pay the interest on the national debt has surpassed the increases in the national debt itself and in military spending. This year the nation will borrow \$183 billion, and the interest on the national debt this year will be \$108 billion, equal to more than 500 percent of the 1974 figure. Some people have called this state of affairs "deficits reproducing deficits." To pay the interest the government has the alternative of increasing taxes or borrowing more money.

However, huge government borrowing is bound to lead to a bigger increase in the future interest spending and to a vicious circle in this respect. Meanwhile, the practice of the state borrowing money in large quantities to make up deficits will lead to an increase in interest rates and hold up enterprise investment, and proceed to seriously hinder the economic recovery. In addition, due to high interest rates and a low inflation rate, the United States has absorbed a large sum of American dollars from foreign countries, thus resulting in the constantly increasing value of the dollar and in the continuous increase in the trade deficit. It is estimated that the trade deficit this year will surpass \$100 billion.

The hidden threat caused by huge deficits to the economy is very obvious. Even the President has acknowledged that deficits are "entirely unacceptable" to him. The President has put forth three proposals to fill this gap. They are, first, to set up a joint committee composed of the two parties to hold talks on reducing the deficit by \$100 billion within 3 years; second, to take measures on less contentious projects; third, to plug some tax loopholes. It is widely held that the latter two proposals are of no avail in deficit reductions and that it is hard to put into effect the first proposal, because the Democrats do not believe the government will endorse cuts in military spending and tax increases, and moreover, this year is an election year; the Democratic Party is using the issue of deficits to attack Reagan. They have accused the government of setting a "trap" in an attempt to force the Democratic Party to share responsibility for the huge deficits. Reagan himself also acknowledged that taking action against deficits could be a matter that would be handled only after the elections in November.

Business circles have responded negatively to this not-too-encouraging future. Recently, the Dow Jones index fell to the lowest point for the last 5 months. What people are widely concerned about is that the government has been excessively optimistic about economic prospects, overestimated the deficits for the next 5 years, and has attempted and accomplished almost nothing in solving the problem of deficits.

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PRC INTERNATIONAL AFFAIRS
SOVIET UNION

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JI PENGFEI SEES 'SUBSTANTIVE PROGRESS' WITH USSR

OW150149 Beijing XINHUA in English 0129 GMT 15 Feb 84

[For other XINHUA reports on this Ji Pengfei interview in SHIJIE ZHISHI, see the 15 February China DAILY REPORT, pages A 2-3]

[Text] Beijing, February 15 (XINHUA) -- China is expecting "substantive progress" in removing three obstacles during the fourth round of Sino-Soviet consultations scheduled to take place in Moscow this March, a Chinese magazine quotes State Councillor Ji Pengfei as saying. China hopes that the Soviet Union will join her in discussing measures to normalize relations, Ji says in an interview which appears in the February 16 issue of the fortnightly magazine WORLD AFFAIRS [SHIJIE ZHISHI].

By removal of the three obstacles that constitute threats to China, Ji means reduction of Soviet troops along the Sino-Soviet and Sino-Mongolian borders, withdrawal of Soviet troops from Afghanistan and withdrawal of Vietnamese troops from Kampuchea.

Ji Pengfei is also a member of the Standing Committee of the Communist Party Central Advisory Commission. His former posts include vice-chairman of the National People's Congress Standing Committee, vice-premier, head of the International Liaison Department of the CPC Central Committee and minister of foreign affairs. His interview with WORLD AFFAIRS covers a wide range of subjects including the international situation and China's foreign relations.

Reviewing the traditional friendship between the Chinese and Soviet peoples, Ji says, strained relations benefit neither of them. It has been China's consistent stand that the two countries should normalize their relations on the basis of the five principles of peaceful co-existence. Since consultations between the Chinese and Soviet vice-ministers of foreign affairs started in 1982, Ji says, relations have relaxed somewhat, and trade and exchange of personnel increased. Reciprocal visits by high-ranking officials may occur in the future. "China welcomes this development," he says.

However, he says, the important thing is to make progress in removing the major obstacles. Ji Pengfei also deals with Sino-U.S. relations, nuclear disarmament, relations between China and other Third World countries, cooperation between China and developed countries, as well as political solutions to the Afghan and Kampuchean issues and the situation in the Middle East.

WAN LI DELEGATION MEETS USSR OFFICIALS, DEPARTS

Meets With Aliyev

OW151357 Beijing XINHUA in English 1344 GMT 15 Feb 84

[Text] Moscow, February 15 (XINHUA) -- Geydar Ali Rza Ogly Aliyev, first vice-chairman of the Council of Ministers of the Soviet Union, met with the Chinese Government delegation led by Vice-Premier Wan Li here this morning. Wan Li, in the name of the Chinese Government and people, extended once again deep condolences to the Soviet Government and people on the death of President Yuriy Andropov.

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Wan Li said that China is devoting its efforts to socialist modernization for which it needs a stable and peaceful international environment and strive to maintain world peace. China and the Soviet Union are neighbors, he said, and China sincerely hopes to have its relations with the Soviet Union normalized. It is a good thing that there is some improvement in relations between the two countries in recent years, he said.

Wan Li went on to say that there are still some obstacles in the way of the development of relations between the two countries. He expressed the hope that the next consultations between China and the Soviet Union to be held in March would make substantive progress in this respect.

[Beijing XINHUA Domestic Service in Chinese at 1308 GMT on 15 February in its report on a meeting between Aliyev and Wan Li renders the above two paragraphs as follows: "Vice Premier Wan Li said: 'China is devoting its efforts to socialist modernization. We hope to have a stable and peaceful international environment and are concerned about the maintenance of world peace. China and the Soviet Union are neighbors. We sincerely hope to have Sino-Soviet relations normalized. It is delightful that there has been some improvement in the relations between our two countries in recent years. Of course, there are still some obstacles in the way of the development of relations between our two countries. We hope that the fourth round of Sino-Soviet consultations to be held in March this year will make substantive progress in this respect.'"]

On behalf of the Soviet Government and people, Aliyev thanked the Chinese Government delegation for coming to President Andropov's funeral. He expressed satisfaction with the improvement made in relations and indicated that the Soviet Government would carry on the policy for better relations with China.

Arkhipov Sees Off Delegation

OW160108 Beijing XINHUA in English 0059 GMT 16 Feb 84

[Text] Moscow, February 15 (XINHUA) -- Chinese Vice Premier Wan Li flew home tonight after attending the funeral of Soviet leader Yuriy Andropov. Wan Li and the Chinese Government delegation led by him were seen off at the airport by the First Vice-Chairman of the Soviet Council of Ministers Ivan Vasilyevich Arkhipov and other Soviet officials. The Chinese delegation arrived here on February 13.

Delegation Returns Home

OW160308 Beijing XINHUA in English 0301 GMT 16 Feb 84

[Text] Beijing, February 16 (XINHUA) -- The Chinese Government delegation led by Vice-Premier Wan Li returned here by special plane this morning after attending Soviet President Yuriy Andropov's funeral.

They were greeted at the airport by Vice-Premier Yao Yilin, State Councillor Ji Pengfei, State Councillor and Foreign Minister Wu Xueqian, Vice-Minister of Foreign Affairs Han Xu, leading member of the Sino-Soviet Friendship Association Liang Gang, and Soviet Ambassador to China I.S. Shcherbakov.

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PRC INTERNATIONAL AFFAIRS
NORTHEAST ASIA

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DPRK PROTESTS U.S. AIRCRAFT'S INTRUSION

OW110814 Beijing XINHUA in English 0713 GMT 11 Feb 84

[Text] Pyongyang, February 10 (XINHUA) -- A strong protest against the American violation of Korea's airspace was lodged by Major General Yi Tae-ho, senior member of the Korean-Chinese side to the Korean Military Armistice Commission, with the American side yesterday, the KOREAN CENTRAL NEWS AGENCY reported.

KCNA said that a U.S. SR-71, high-speed, high-altitude reconnaissance plane intruded into the airspace over the Korean territorial waters of the Kangnyong Peninsula, southwest of South Hwanghae Province, and east of Kosong County, Kangwon Province on February 2 and 8 respectively for espionage purposes.

Yi Tae-ho said that such espionage flights, which have amounted to 19 times since the beginning of this year, are grave violation of Korea's sovereignty and the armistice agreement of Korea. He pointed out that when the northern part of Korea was making efforts to relax the tension in the Korean peninsula and to resolve the Korean problem peacefully, the frequent American reconnaissances of the northern part of Korea could not be ignored. He strongly demanded the U.S. stop such espionage acts.

DPRK PERSONNEL ACCEPT LETTER FROM SOUTH KOREA

HK160751 Beijing RENMIN RIBAO in Chinese 15 Feb 84 p 7

[XINHUA Report: "DPRK Premier Kang Song-san Sends Personnel to Panmunjom To Accept Letter from the South"]

[Text] Pyongyang, February 14 (XINHUA) -- The two liaison officers appointed by Kang Song-san, premier of the DPRK Administration Council, accepted a letter from the South Korean authorities at the conference room of the Neutral Nations Supervisory Commission in Panmunjom at 1000 this morning, according to a KCNA report this evening.

This letter was delivered in the name of South Korean "prime minister" Chin Ui-chong to the premier of the DPRK Administration Council Kang Song-san.

The joint meeting of the DPRK Central People's Committee and the Standing Committee of the DPRK Supreme People's Assembly discussed on 10 January the proposal for "tripartite talks" between the North of Korea [Chaoxian beifang 2600 7639 0554 2455], the South of Korea [Chaoxian nanfang 2600 7639 0589 2455], and the United States, and adopted the "letter to the Seoul authorities" and the relevant contents.

It is reported that the letter delivered today by the two liaison officers appointed by the South Korean authorities is a reply to the "letter to the Seoul authorities" sent by the North of Korea. The report did not disclose the content of the reply.

This is the first meeting of this kind between the North and the South since the "tripartite talks" were proposed by the North of Korea.

FOREIGN MINISTRY SPOKESMAN ON KOREAN ISSUE

HK160124 Beijing ZHONGGUO XINWEN SHE in Chinese 1405 GMT 15 Feb 84

[Text] Beijing, 15 Feb (ZHONGGUO XINWEN SHE) -- PRC Foreign Ministry press spokesman Wang Zhenyu said at a news briefing today that the Chinese and Korean sides sincerely hope that the tension on the Korean Peninsula can be eased. The Chinese side expresses active support for the Korean side's "tripartite talks" proposal.

Answering newsmen's questions, Wang Zhenyu said that the official friendly visit paid to China by DPRK Vice Premier and Foreign Minister Kim Yong-nam was made in return for Foreign Minister Wu Xueqian's visit to Korea last May. During Kim Yong-nam's visit the two sides have held talks in a warm and friendly atmosphere and held a wide-ranging exchange of views on international issues of mutual concern. Both sides hold that this has been a successful visit.

PRC-DPRK AIR TRANSPORT AGREEMENT MARKED

OW150835 Beijing XINHUA in English 0744 GMT 15 Feb 84

[Text] Beijing, February 17 (XINHUA) -- The General Administration of Civil Aviation of China (CAAC) has sent a message to the Ministry of Civil Aviation of Korea to mark the 25th anniversary of the signing of the Sino-Korean air transportation agreement which falls on February 18. The message says the opening of the airline between China and Korea has contributed to the friendly exchanges between the two peoples. It also hopes for closer Sino-Korean cooperation in the field of civil aviation and a bright future for the Korean civil aviation service.

JAPANESE YOUTH ACCEPT HU YAOBANG'S INVITATION

OW150859 Beijing XINHUA in English 0724 GMT 15 Feb 84

[Text] Beijing, February 15 (XINHUA) -- Three thousand Japanese young people will come to Beijing for a friendly get-together September 29 through October 2. This was announced by Jia Die, deputy secretary-general of the All-China Youth Federation, at a press conference here this morning. He said that the invitation was extended by Hu Yaobang, general secretary of the Chinese Communist Party Central Committee, on behalf of the Chinese people and youth, during his visit to Japan last November.

This aroused strong responses from the Chinese and Japanese youth and students and was warmly welcomed by people of other walks of life, he said. Entrusted by Hu Yaobang, the All-China Youth Federation, the All-China Students' Federation and the China-Japan Friendship Association early this month extended invitations to Japanese youths, students, Japan-China friendship organizations, youth delegation from the Japanese Government and political parties, as well as youth representatives from cultural, sports, religious, industrial and commercial circles.

The deputy secretary-general disclosed that, as agreed upon between representatives of the All-China Youth Federation and Japanese organizations last month, the 3,000 Japanese youth people will attend academic discussions, take part in sports games and theatrical performances and plant trees in addition to participate in the China's national day celebrations in Beijing. Jia Die added that the Japanese youngsters are scheduled to tour other parts of China, including Hangzhou, Nanjing, Wuhan, Xian and Shanghai.

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Preparations are under way, he said. The All-China Youth Federation has begun to solicit designs of badges and posters and songs for the coming friendly gathering. Jia Die expressed conviction that the get-together will help increase mutual understanding and friendship between the Chinese and Japanese youths and contribute to the lasting friendship between the two peoples in the 21st century and beyond and to the defense of peace and Asia and the rest of the world.

NI ZHIFU MEETS JAPANESE LABOR OFFICIAL

OW151310 Beijing XINHUA in English 1258 GMT 15 Feb 84

[Text] Beijing, February 15 (XINHUA) -- Ni Zhifu, president of the All-China Federation of Trade Unions, met Motofumi Makieda, adviser and former chairman of the General Council of Trade Unions of Japan, in the Great Hall of the People here this evening. Makieda arrived here this afternoon.

PRC-JAPAN TRAINING CENTER BEGINS CLASS

OW151345 Beijing XINHUA in English 1251 GMT 15 Feb 84

[Text] Tianjin, February 15 (XINHUA) -- An enterprise management training center jointly run by China and Japan opened a teachers' class here Tuesday. This is the first project of the training center sponsored by the Japanese International Cooperation Organization and the China State Economic Commission.

According to an agreement signed last year, Japanese experts will help train 25 Chinese teachers in the first two years in Tianjin and at the same time China will send 20 people to study in Japan. These people will then train factory directors and managers from China's big and medium-sized enterprises under the guidance of Japanese experts. The Japanese will provide the teaching materials and other aids and the Chinese will undertake the construction of the teaching center covering a floor space of ten thousand square meters.

The center will adapt the advanced management techniques of foreign countries to China's specific conditions. China has also signed similar agreements with the United States, France and other countries for setting up eight other such training centers in Dalian, Shanghai and other places.

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SOUTHEAST ASIA & PACIFIC

E 1

BELJING LAO ON SRV-KAMPUCHEAN SITUATION

BK121449 Beijing International Service in Lao 1230 GMT 10 Feb 84

[Unattributed "article": "Is It Not Reversible?"]

[Text] Recently, while attacking the visit to China by the CGDK delegation headed by Samdech Sihanouk, the paper NHAN DAN said that the situation in Kampuchea is irreversible. Vietnam's version of irreversibility is aimed at leading the world into believing that the puppet administration propped up by Vietnam has maintained a firm rule in Phnom Penh and that the situation on the battlefields is irreversible. Is the situation really like this? No, it is not. The current situation in Kampuchea has greatly changed in favor of the Kampuchean people, not the aggressors.

Vietnam has sent some 200,000 soldiers across the borders into Kampuchea with the aim of fighting quickly and winning rapidly by wiping out the Kampuchean armed forces. However, they are now being defeated. They are bogged down in their strongholds to defend them and communications routes and are planning to launch a so-called dry season offensive. Nevertheless, four dry seasons have already passed. The Democratic Kampuchean Armed Forces have not yet been wiped out. On the contrary, the more they fight, the stronger they become. They are out to attack the enemy aggressors everywhere. A state of stalemate now prevails on battlefields. The influence and prestige of the CGDK with Samdech Sihanouk as president have been rising gradually both at home and abroad.

Faced with such an unfavorable situation, the Vietnamese leaders are now repeating the word "irreversible." This word means that they are refusing to withdraw their aggressor troops from Kampuchea and they will not leave Kampuchea. However, history points to the fact that Vietnam and the Heng Samrin puppet regime will be shamelessly defeated in the same way as the United States and the Nguyen Van Thieu puppet administration were in the past. This is a trend which is irreversible.

The state of irreversibility also points to the current economic situation in Vietnam following its war of aggression against Kampuchea. Following the end of the Vietnam war, instead of mobilizing the people to boost production and to restore and rebuild the country, the Vietnamese authorities, drunk with their hegemonic ambitions, have mustered their armed forces to wage a war of aggression against Kampuchea, thereby squandering the people's wealth, depleting the national coffers, leading their economy into a state of deterioration, and bringing untold suffering to their people. The Vietnamese authorities should have admitted that in 1980 the industrial and agricultural production throughout the country decreased markedly while goods prices were spiraling and cadres and workers were suffering more hardships. In 1981 the national economy suffered even more setbacks. The situation the past year has not improved either. Le Van Luong, CTV secretary of Hanoi, noted at a meeting that goods supplied to the people could guarantee only the lowest standard of living for them. Even then, they were not sufficiently available for sale and were of poor quality. The truth clearly shows that if the war of aggression against Kampuchea continues, such difficulties will become irreversible.

The side of justice has received tremendous support while the side of injustice has received none. The world has condemned the Vietnamese authorities for sending troops to invade Kampuchea. This evidence has been clearly reflected at several UN General Assembly sessions. At those sessions, the Vietnamese representatives proposed plans aimed at putting the Heng Samrin administration in the legitimate UN seat of Democratic Kampuchea. Nevertheless, all of their proposals were defeated. The situation is also irreversible. That was why Vietnam did not bring up a proposal on the seating of Heng Samrin puppet regime at the 38th UN General Assembly session. Without taking a vote, the UN General Assembly last year approved the plenipotentiary credentials of Democratic Kampuchea. Truthfully speaking, this time the Vietnamese leaders were very clever; otherwise they would have run into a brick wall and hurt themselves worse.

If one reads newspapers, one will see that when talking about the situation in Kampuchea, the Soviet propaganda has repeatedly used the word "irreversible" to describe it. The shouting of this word alternatively by Hanoi and Moscow clearly reflects the truth that one of them is in the front while the other is always in the back in the war of aggression against Kampuchea.

KAMPUCHEAN NATIONAL ARMY ATTACKS BATTAMBANG

OW150647 Beijing XINHUA in English 0632 GMT 15 Feb 84

[Text] Beijing, February 15 (XINHUA) -- The Kampuchean National Army on February 11 launched a surprise attack on Battambang City, capital of Battambang Province, which was heavily guarded by the Vietnamese occupation troops, Radio Democratic Kampuchea reported today. Located about 250 kilometers west of Phnom Penh, Battambang is the second biggest city in Kampuchea. Since their invasion of Kampuchea in 1979, the Vietnamese troops have used the city as an important military and logistics base. The Kampuchean National Army and guerrillas have many times bombarded the city and the Vietnamese strongholds around it since the rainy season in 1981.

The radio said the task force of the Kampuchean National Army attacked the city on the night of February 11 in four groups. The first and third groups attacked the southern market, the second group assaulted the Prey Tean radio station and then advanced to the center of the city and the fourth group raided the Battambang airport and the oil depot there.

When the battle began, the Vietnamese troops were thrown into complete confusion and shelled back without hitting their target. When the task force stormed the city, the Vietnamese troops fled for their lives. In the battle, the Kampuchean National Army killed many Vietnamese, seized a lot of weapons and ammunition, destroyed the airport's oil tanks, four ammunition depots, a grain warehouse holding tens of thousands of bolts of cloth in it, a medicine warehouse and several other military supplies storehouses. Destroyed also are the Prey Tean radio station and the office building of the puppet provincial government.

In another report by the radio, the Kampuchean National Army and guerrillas captured four important strongholds of the Vietnamese troops in the provinces of Koh Kong, Pursat and Battambang from February 3 to 11, with the enemies suffering more than 100 deaths.

XINHUA DIRECTOR FETES HONG KONG COUNCIL MEMBERS

HK151350 Beijing XINHUA Hong Kong Service in Chinese 1320 GMT 15 Feb 84

[*"Item Contributed by XINHUA Hong Kong Branch"*]

[Text] Hong Kong, 15 Feb (XINHUA) -- Xu Jiatusheng, director of the XINHUA Hong Kong Branch, held a banquet in honor of members of the Hong Kong Urban Council at the VIP room of the China Resources Building on the evening of 15 February. More than 20 guests attended the banquet.

Also present at the banquet were Deputy Directors Qi Feng, Li Chuwen, and other responsible people of the XINHUA Hong Kong Branch. The hosts and the guests exchanged greetings and had friendly conversation during the banquet.

TRADE EXPANDS BETWEEN HONG KONG, INTERIOR

HK120828 Beijing RENMIN RIBAO in Chinese 12 Feb 84 p 2

[*Dispatch from Hong Kong: "Volume of Trade Between Interior of China and Hong Kong Expands Rapidly"*]

[Text] Trade between Hong Kong and the interior has risen sharply. At present the interior is Hong Kong's greatest entrepot trade market and its greatest source of imports. It is the fourth largest export market for Hong Kong-manufactured goods.

Total value of Hong Kong's imports from the interior in 1983 was HK\$42,821 million (the following figures are also in Hong Kong dollars), an increase of 30 percent over 1982 and accounting for 24.4 percent of Hong Kong's total import value of HK\$175,442 million. The increase in Hong Kong's imports from the interior was mainly made up of textiles, clothing, meat and meat products, vegetables, animal and plant raw materials and so on.

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SOUTH ASIA

F 1

HUANG HUA ARRIVES IN INDIA FOR POPULATION FORUM

OW160118 Beijing XINHUA in English 0050 GMT 16 Feb 84

[Text] New Delhi, February 16 (XINHUA) -- The delegation from the National People's Congress (NPC) of China led by Huang Hua, vice-chairman of the NPC Standing Committee, arrived here early today for the first conference of the Asian forum of parliamentarians on population and development, scheduled from February 17 to 20.

The 25-member delegation includes Qian Xinzong, honorable guest of the conference and advisor to the Chinese Health Ministry; Hu Keshi, deputy head of the delegation and vice-chairman of the Educational, Scientific, Cultural and Health Committee of the NPC; Fei Xiaotong, honorary advisor and vice-chairman of the Chinese People's Political Consultative Conference, and others.

Upon its arrival, the Chinese delegation was welcomed by Sat Paul Mittal, secretary general of the Asian forum of parliamentarians on population and development. Shen Jian, Chinese ambassador to India, was also present.

More than 200 parliamentarians from 30 countries of the Asian and Pacific region will attend the 4-day conference to discuss issues relating to critical population and development problems affecting the region. Prominent international figures, experts, scholars and delegates of international organisations will also attend.

Indian Prime Minister Indira Gandhi will inaugurate the conference.

YOUTH DELEGATION LEAVES FOR INDIAN CONFERENCE

OW150650 Beijing XINHUA in English 0638 GMT 15 Feb 84

[Text] Beijing, February 15 (XINHUA) -- A three-member delegation from the All-China Youth Federation left here for India by air this morning to attend the Second All-Indian Conference of the Democratic Youth Federation of India.

The delegation is led by Yang Le, vice-president of the All-China Youth Federation and deputy director of the Institute of Mathematics under the Chinese Academy of Sciences.

SHANGHAI, KARACHI MAYORS SIGN AMITY AGREEMENT

OW152202 Beijing XINHUA in English 1947 GMT 15 Feb 84

[Text] Karachi, February 15 (XINHUA) -- China's Shanghai and Pakistan's Karachi became friendly cities today as the two mayors signed an agreement on the establishment of bonds of friendship between the two cities.

Mayor of Shanghai Wang Daohan and Mayor of Karachi Abdul Sattar Afghani put their signatures to the agreement at ceremony held at the Qua'de A'zam Mausoleum here this afternoon.

Speaking at the ceremony, the Karachi mayor described the establishment of friendly ties between the two cities as a new progress made in the development of amicable relations between Pakistan and China.

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In his speech, Wang Daohan said that a new stage has been ushered in the friendly exchanges between the two cities. He hoped that more scholars, scientists, personages from cultural, educational and trade circles will exchange visits and study tours in the near future.

The Shanghai delegation led by Wang Daohan arrived in Pakistan on February 8 and will leave here for home tomorrow.

PAKISTAN-CHINA FRIENDSHIP PRESIDENT DIES

OW110209 Beijing XINHUA in English 0135 GMT 11 Feb 84

[Text] Islamabad, February 10 (XINHUA) -- Muntaz Alvie, president of the All-Pakistan-China Friendship Association, died of heart attack here last night at the age of 67.

Chinese Ambassador to Pakistan Wang Chuanbin today went to Alvie's residence to express his condolences.

Mr. Alvie had held the posts of Pakistan foreign secretary and ambassador to China. He had made positive contributions to the promotion of friendship between Pakistan and China.

RENMIN RIBAO VIEWS WEST GERMANY'S FOREIGN POLICY

HK130837 Beijing RENMIN RIBAO in Chinese 8 Feb 84 p 7

[Article by Fang Xiangsheng: "Multilateral Foreign Policy of the Federal Republic of Germany"]

[Text] When the new year arrived, comments in the Bonn press were focused on the diplomatic policies of the Federal Government of West Germany.

Since the deployment of new U.S. missiles began in West Germany and the three sets of U.S.-Soviet disarmament talks broke down one after another, Chancellor Kohl has been faced with a complicated and delicate situation in the diplomatic field. On the one hand, he must continue to maintain close relations with and be an ally of the United States; on the other hand, he has to seek a reconciliation with the Soviet Union and Eastern Europe due to domestic pressure and based on consideration of the country's vital interests. Therefore, he once again extended an invitation to Soviet leader Andropov to visit the FRG and, on his own initiative, sent letters to leaders of the Soviet Union and other East European countries, expressing his willingness to continue the talks and urging the holding of a U.S.-Soviet summit.

At present, the two superpowers are stepping up their contention for the nuclear superiority in Europe and the arms race between them has become more intense. East-West relations are confronted with a severe test. West Germany is situated in the forefront of NATO and is directly faced with the vast number of Soviet troops in Eastern Europe. The Kohl government, which came to power just 1 year ago, must tackle the difficult question of how to conduct its diplomacy while being sandwiched by the two superpowers.

In October 1982, in its first official statement, the Kohl government explicitly declared that the primary diplomatic task for the government was to "clear away the shadow over the U.S.-German relations and strengthen and stabilize the friendship between the two countries." It pointed out that "friendship with the United States" constituted the "foundation" for West Germany's foreign policies. This position is understandable. The FRG is standing in the forefront at a time when the Eastern and Western military blocs are confronting each other, and it has to face the threats of the millions of troops, the tens of thousands of tanks, and the thousands of missiles of the Soviet Union and the Warsaw Pact. In these circumstances, the Kohl government holds that Western Europe cannot thwart the Soviet Union's threats by relying merely on its own nuclear forces and must depend on the U.S. nuclear umbrella. Kohl has repeatedly stressed that West Germany's security "can be protected only by the United States" and that West Germany must "side with its Western allies." He has readjusted some foreign policies adopted by the Schmidt government and moved closer to the United States. On the issue of missiles, he supports the U.S. position in the talks and stands up to the pressure from the Soviet Union and from domestic peace movements, firmly implementing NATO's "dual resolution." After the U.S. invasion of Grenada, Kohl also promptly consulted with West European allies and urged them to wind up their open differences with the United States and to maintain the unity between Europe and the United States. He has been trying to let the Americans know that "West Germany is their loyal friend."

However, while trying to forge closer relations with the United States, the Kohl government has not given up the diplomatic policy toward the East pursued by the previous Social Democratic governments. Kohl believes that to maintain West Germany's security and Europe's stability, it is not only necessary for his country to maintain friendly relations with the West, but also necessary to "reach some agreements with the East" and "carry out a policy of dialogue, negotiations, and being willing to cooperate and conclude agreements with the East." Because of the intensification of the U.S.-Soviet rivalry in Europe since last year, especially the dispute over the issue of nuclear missiles, it is difficult for the Kohl government to carry out its balancing tactics between the two superpowers.

Therefore, Kohl can only side with the United States, but he still tries by every possible means to conduct dialogue with the Soviet Union. When the tension between the superpowers was slightly eased, he even promptly urged them to hold a summit, regarding the moment as "more important than ever before." At the same time, West Germany also makes efforts to expand its economic relations and trade with the Soviet Union and tries to consolidate these economic ties. However, when dealing with economic affairs, Kohl has paid more attention to the U.S. position than his predecessors. He said that events like the gas pipeline dispute should not be allowed to occur again.

The Kohl government also takes a positive attitude toward its relations with East Germany and has changed the previous governments' policy of "taking cautious steps." In the last few months, leaders of the two countries continued to exchange letters and statesmen from both sides frequently held meetings. West Germany recently offered loans of 1 billion marks to East Germany; and the latter also satisfied some requirements of the former. All this marks a noticeable improvement in their bilateral relations.

When seeing that the U.S.-Soviet talks on controlling intermediate-range nuclear weapons would make no headway and that the deployment of new U.S. missiles would be inevitable, the Kohl government left itself room to maneuver. It sent its Foreign Minister Genscher to meet with Gromyko and sent its economic minister to Moscow to discuss ways to strengthen bilateral economic cooperation. In doing so, its purpose was to maintain some room for maneuver in its relations with the Soviet Union and Eastern Europe and to prevent these relations from becoming too strained even after new U.S. missiles are deployed in West Germany.

The Kohl government not only attaches importance to its close relationship with the United States and to its policy toward the East, but also highly values the unity of Europe which it regards as an important part of its diplomatic efforts and an indispensable supplement to its policies toward the United States and the East. In view of the fact that the process of the integration of Europe has encountered many difficulties in recent years, Kohl declared as soon as he came to power that he was determined to contribute to "opening up a new road leading to the unification of Europe" and to arouse "a new enthusiasm for realizing the unity of Europe."

The unification of Europe designed by Kohl is based on cooperation between West Germany and France. In order to promote this unification and to make Europe speak with one voice when dealing with political affairs, Kohl has met with Mitterrand as frequently as once every 3 months since he took office. West Germany and France have actively exchanged views on the issue of missiles and given support to each other. Kohl consistently supports Mitterrand's position of opposing the proposal of including British and French missiles into the U.S.-Soviet talks on medium-range missiles; while Mitterrand personally helped Kohl persuade the Belgian Government to accept the deployment of U.S. missiles so as to lighten the pressure on the Kohl government caused by the deployment of U.S. missiles.

Recently, the two European leaders also discussed plans for European defense and reached an agreement to jointly develop and produce new-type antitank helicopters.

In the present multipolar world, the room for maneuver and the influence of West Germany's foreign policies will depend on the political strength of the West European alliance and on West Germany's role in the alliance. Therefore, while vigorously promoting the unification of Western Europe, the West German Government is striving to make its policies a component of the West European Alliance's policies so that it can play a more effective role on the international political stage.

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ZAMBIA'S KAUNDA SENDS MESSAGE TO ZHAO ZIYANG

OW150646 Beijing XINHUA in English 0630 GMT 15 Feb 84

[Text] Lusaka, February 14 (XINHUA) -- Zambian President Kenneth Kaunda has sent a message to Chinese Premier Zhao Ziyang, expressing his condolences on the death of three Chinese experts sent to help Zambia construct a highway. The three Chinese experts -- Deng Hanyun, Ye Yulin and Jiang Qiqing -- died on January 29 in a traffic accident on their way to work.

The message says the Zambian people "will emulate the good example of hard work and dedication which our departed brothers showed us." "Their untimely death is indeed a great loss, not only to their bereaved families, their fellow workers on the vital project and the People's Republic of China, but also the Zambian nation as a whole," it says.

PRC-SUDAN MARK ANNIVERSARY OF DIPLOMATIC TIES

OW130338 Beijing XINHUA in English 0246 GMT 13 Feb 84

[Text] Khartoum, February 12 (XINHUA) -- Ahmad al-Sayyid, member of the Central Committee Executive Bureau of the Sudanese Socialist Union, observed here today that China and the Sudan were in harmony in world affairs as both pursue "a policy of cooperation with the world peoples and noninterference in their internal affairs."

At a reception held by the Sudanese National Council for Solidarity, Friendship and Peace to mark the 25th anniversary of the establishment of diplomatic relations between China and the Sudan, Ahmad al-Sayyid, who is also chairman of the council, praised the friendly relations and cooperation between the Sudan and China. He said that the two countries shared views on the peace and security of the world and on the liberation causes in Asia and Africa. He praised China for supporting the just cause of the Arab and Palestinian people.

In his speech at the reception, Chinese Ambassador Song Hanyi expressed the belief that the friendly relations and cooperation between the two countries will be further strengthened and developed. Among over 200 people attending the reception were Sudanese Minister of Education Sa'id Ahmad and other officials.

Under a decision of the Sudanese Ministry of Education, students throughout the country would be given a brief account of the Sudanese-Chinese friendly relations at their first class today as part of the program to mark the 25th anniversary of the diplomatic relations between the two countries.

CONGO'S GOMA RECEIVES NEW PRC AMBASSADOR

OW141453 Beijing XINHUA in English 1438 GMT 14 Feb 84

[Text] Brazzaville, February 14 (XINHUA) -- Prime Minister of Congo Louis-Sylvain Goma said here today all the sectors of his government are satisfied with his country's relationships with China.

He made this remark while receiving the newly-appointed Chinese Ambassador to Congo Du Yi. In their talks, Goma said he highly valued the development of friendly, cooperative links between the two countries in various fields and the spirit of selflessness of the Chinese experts working in the country. Du Yi conveyed to him the best wishes of Chinese Premier Zhao Ziyang.

Du Yi presented his credentials to Congolese President Denis Sassou-Nguesso on January 28.

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ZENG TAO VIEWS PRC-LATIN AMERICAN RELATIONS

OW160330 Beijing XINHUA in English 0249 GMT 16 Feb 84

[Text] Beijing, February 16 (XINHUA) -- China's top legislative body, the National People's Congress, treasures relations with parliaments in other countries, including Latin American states, Zeng Tao, N.P.C. Foreign Affairs Committee vice-chairman says in the WORLD AFFAIRS magazine. In an interview published in the February 16 issue of the fortnightly, Zeng says China has diplomatic relations with 15 Latin American countries and trade links with more than 30 countries and regions on that continent.

A veteran diplomat, Zeng Tao has served as chief of the XINHUA bureau in Havana and ambassador to Yugoslavia, Algeria and France. He visited Mexico and Colombia late last year as deputy leader of an N.P.C. delegation.

During the visit, he recalls, he and his colleagues exchanged views on issues of common interest with parliamentary leaders and top government officials, deepening mutual understanding.

Zeng notes that China can learn from Mexico's oil development, food processing and agricultural expansion programs, as well as Colombia's advances in textile production.

At the same time, he says, many Latin American countries are interested in China's knowledge of rice planting, hydroelectric power station construction, acupuncture and handicrafts.

"Some progress has been made in cultural exchanges, but there is still a great deal of work to be done in the future," he adds.

Zeng says China supports the positions taken by Mexico and Colombia on Central American issues, and backs the treaty on the prohibition of nuclear weapons in Latin America initiated by Mexico and other countries there.

"We also support each other in the struggle for the establishment of a new international economic order," he says.

Zeng reaffirms that China's foreign policy stresses strengthening relations with Latin American countries. He is certain that new progress will be made in cooperative links between China and Latin America, Zeng Tao says in the interview.

BEIJING PARTY MARKS MEXICO TIES ANNIVERSARY

OW141323 Beijing XINHUA in English 1145 GMT 14 Feb 84

[Text] Beijing, February 14 (XINHUA) -- Jesus Domene, charge d'affaires ad interim of the Mexican Embassy here, gave a cocktail at the embassy this evening in celebration of the 12th anniversary of the establishment of diplomatic relations between Mexico and China. Among the guests were Han Xu, Chinese vice minister of foreign affairs, and leading members of departments concerned.

Domene and Han Xu proposed toasts to the continued development of the friendship and cooperation between the two peoples.

COMMENTATOR ON PURCHASE REGULATIONS, SALES CONTRACTS

HK151013 Beijing RENMIN RIBAO in Chinese 10 Feb 84 p 2

[Commentator's article: "An Important Measure To Improve the Purchase and Sales Contracts System"]

[Text] One of the pressing tasks at present is to further perfect the system of purchase and sales contracts and to strengthen the building of the legal system in the field of commodity circulation. In recent years, with the expansion of commodity circulation daily increasing, the purchase and sales contracts signed between various economic organizations and between the economic organizations and households engaged in individual economy, commune members, and specialized households have increased by large numbers. However, due to the imperfect legal and management system in this field, there still exist, in purchase and sales activities, the following practices: Contracts are not signed in accordance with state plans, contracts are not signed seriously, violating the relevant provisions of the state, some willfully tear up the agreements after signing the contracts, some intercept, use, and sell the products included in state plans without authorization, a small number of leading cadres wantonly interfere with and obstruct the parties concerned in signing and implementing contracts, and so on and so forth. These cases affect the economic construction of and infringe upon the state and the people's lives and their interests.

In accordance with the provisions of the "Law on Economic Contracts of the PRC," the State Council has recently promulgated the "Regulations Governing Purchase and Sales Contracts for Industrial and Mining Products" and "Regulations Governing Purchase and Sales Contracts for Farm and Sideline Products." The promulgation and implementation of these regulations will be conducive to the improvement of the above circumstances and to the safeguarding of the normal economic order.

Ensuring the implementation of state plans is an important principle on which to base signing and implementing purchase and sales contracts. It is clearly defined in the above two regulations that the purchase, distribution, and marketing of industrial mining, agricultural and sideline products by the state must be included in the contracts and properly implemented in light of plans and quotas assigned by the state. These provisions not only suit the needs of China's national economic development but also help eliminate and correct the unhealthy tendencies of indiscriminately raising the prices of the means of production, forcing up prices and rushing to purchase agricultural and sideline products, and refusing to fulfill the quotas assigned by the state, thus ensuring state construction and the supplies needed by the people in urban and rural areas.

Conscientiously implementing and fulfilling the duties prescribed in purchase and sales contracts is directly related to the interests of the parties concerned. In order to urge both parties concerned to conscientiously implement the contracts and to protect the legitimate rights of both the supplier and the recipient, the two sets of regulations have specifically defined articles on responsibility concerning both parties. This enables both parties to understand their responsibilities and to restrain each other. At the same time, if either party violates the contract, the other party has the basis for investigating and affixing the responsibility. All enterprises, households engaged in individual businesses, commune peasants, specialized households, and households doing specialized jobs must deepen their understanding on the importance of implementing contracts, scrupulously abide by contracts, and conscientiously observe the "regulations" and the provisions of the legal documents concerned.

The industrial and commercial administrative management departments and the departments responsible for professional work must jointly strengthen their supervision and inspection of purchase and sales contracts, gradually establish and perfect the management system for economic contracts, and enable the two important sets of "regulations" to play a proper role in the building of the national economy.

ARTICLE PRAISES HU QIAOMU'S STUDY STYLE, EXAMPLE

HK151145 Beijing GUANGMING RIBAO in Chinese 9 Feb 84 p 1

[Article by Ma Weian: "Singing the Praises of a New Study Style -- On Reading Hu Qiaomu's 'On Humanism and Alienation'"]

[Text] Comrades of the offices of party organs distributed books to comrades of various departments. I took one of the books and saw "On Humanism and Alienation" printed in red on the cover of the 32-page book. Oh, it was Comrade Hu Qiaomu's pamphlet. Printed on the title page was: "This thesis, written in a colloquial manner, is dedicated to..." This could not be found in the newspapers. So I continued to read.

Let us, for the time being, put aside the content of the article. The style and the way the article is presented are praiseworthy. In comparison to "mass criticism" articles during the "Cultural Revolution" in particular, what strikes people most in the equal and persuasive manner with which the article treats its readers. What is convincing people by reasoning and moving people by expressing good sentiments? I wished to say that the article was an example, but on second thought, I felt that the word "example" was a bit contrary to the spirit of the article. So, I now say that the article provides us with a style and attitude which merit pondering and emulating.

Avoiding representing the "ultimate truth," the article tolerates dissenting views and is filled with the spirit of seeking truth from facts. Nor does it put on a stern expression and teach people a lesson by considering itself as an "authority." But the article is "sincerely" "dedicated" to comrades. To whom is the article dedicated?

It is dedicated to "comrades in theoretical and literature and art circles who study Marxism, socialism, and humanism, and to youngsters who study the significance and aim of life." -- Here, there are overtones of the author's attitude of equality toward his readers.

It is dedicated to "comrades who took part and made valuable suggestions in drafting and proofing the article, comrades and scholars. Without their help, the article would not have appeared as it does now." -- Here, revolutionary sentiments fill the space between the lines.

In particular, the congratulatory message in the article says that the article is dedicated to "all comrades who had or continue to have dissenting views, as their views motivated the author to write the article and enabled him to obtain grounds for argument. If any of their views are criticized in this article, this is nothing but normal and comradely criticism." -- Here, comradely sentiments are shown.

Differing views exist in contrast to each other, and truth develops in the struggle against errors. Differing views, including erroneous views, among comrades must be discussed on an equal basis and with the attitude of studying knowledge. Differing views are not necessarily erroneous views, and studying differing views can perfect and enrich correct views. Moreover, studying erroneous or utterly erroneous views can develop correct views because their existence serves as counterevidence in proving correct views.

This is not only the inevitable development of truth, but also the correct attitude and method for handling the contradictions among people.

At present, we must blaze a new trail in all aspects of work. Comrade Hu Qiaomu's article and his congratulatory message in the article do not indulge in exaggerations and are not overbearing in style. They convince people by reasoning, thus displaying a new literary style and a new study style. If our comrades can follow his example, there will be great prospects for ushering in a new situation in China's theoretical work.

ARTICLE CALLS FOR TAX, ENTERPRISE QUALITY REFORM

HK150605 Beijing RENMIN RIBAO in Chinese 6 Feb 84 p 5

[Article by Song Yifeng: "Tax System Reform And Improving Enterprises' Quality"]

[Text] The correct handling of the relationships between the state and enterprises is a necessary condition for improving enterprises' quality and raising economic results.

In industrial production, the phenomena of "using the small to squeeze out the large" and "using the bad to elbow out the good" and of carrying out blind and duplicate production have not been fundamentally solved. While materials are in short supply, losses and waste are quite serious; while renovations and reform in enterprises are very slow, the number of expanded and new projects equipped with backward technology keeps increasing. The reasons we have not been able to change this situation are: In our guiding thinking, we only pay attention to speed, neglecting results, and we only attach importance to new construction, neglecting reform; in the allocation system, we are accustomed to "taking from the fat to pad the lean," to egalitarianism, and to "eating from the same big pot"; in politics, we cannot effectively encourage the advanced and urge the backward on; and in enterprise management, there are "too many persons in charge," and enterprises lack decisionmaking rights due to excessive direct administrative interference. Facts have proven that to improve enterprises' quality, we must correctly handle the relationships between the state and enterprises and bring into play the initiative of enterprises and staff and workers.

Under the socialist system, to handle well the relationships between the state and state-run enterprises we must first clearly understand the nature, position, and role of state-run enterprises. According to the different positions and roles of enterprises, we must be given different responsibilities, decisionmaking rights, and economic interests to enterprises according to the principle of taking the planned economy as the main component and making regulation by market mechanism subsidiary and in line with the general development of the national economy. Based on these general requirements, we must solve the following five problems:

1. We must stabilize the allocation relationships between the state and enterprises, solve the problem of the allocation system within enterprises, carry out the principle of to each according to his work, and establish and perfect all forms of the economic responsibility system.
2. We must reform the planning and management system concerning enterprises as well as the system concerning methods and procedures. We must exercise appropriate management over enterprises, control what must be controlled, and relax what must be relaxed.
3. We must reform the multi-leader management system and establish a relevant system for coordinating, inspecting, and supervising enterprises.

4. We must work out economic legislation and regulations, clarify the responsibility of various levels ranging from responsible departments to grassroots enterprises, and establish a strict responsibility system.

5. We must put into effect the policies and measures for encouraging the advanced, urging the backward on, and bringing forward technological progress.

The purpose of solving the above problems is to turn enterprises into economic units which have varying decisionmaking rights, to help enterprises raise their management level, and to do a good job in production and management. In other words, the purpose is to create a situation in which enterprises will become extinct if they do not make progress. As a result, enterprises will be forced to carry out consolidation and readjustment.

Solving the relationships between the state and enterprises involves various aspects of economic work. In addition, some restrictive economic factors (prices, finance, employment, and the separation of departments from regions) cannot be handled in an even manner. Therefore, we must solve the above problems in an overall and planned way and by proceeding from practice.

It seems that the substitution of taxes for delivery of profits and reforming the tax system are breakthrough factors which can improve the overall situation. Reforming the tax system will enable state-run industrial enterprises to carry out independent accounting and assume responsibilities for their own losses and profits according to the state's taxation and tax system, or to assume responsibilities for their own losses and profits under certain policies and conditions to gradually solve the problem of enterprises "eating from the same big pot" provided by the state and of workers "eating from the same big pot" provided by enterprises. This will provide favorable conditions for perfecting various forms of the economic responsibility system. Reforming the tax system, dividing local revenue from central revenue according to tax categories, further reforming the state financial system, and substituting state taxation for delivery of profits to the departments concerned will free enterprises from "departments" and "regions" economically. This is beneficial to exercising the decisionmaking rights of enterprises.

In this way, the problems of departments being separated from regions and the irrational structure of enterprises can be appropriately solved. Enterprises will, under basically the same conditions, develop their own business, the advanced displaying their superiority and the backward being gradually eliminated. As a result, enterprises will be able to accelerate their reorganization and combination and to develop cooperation among specialized units. On this basis, the planning, management, and leadership system concerning enterprises can be gradually solved.

The substitution of taxes for delivery of profits is being carried out throughout the country. The results are good. But this is only the first step in the transitional period. Under the prerequisite of guaranteeing state revenue, in tax system reform, we must be able to meet the following requirements:

I. We must be able to change the uneven situation in enterprises to enable enterprises to carry out competition under the same basic conditions. For this reason, we must first, by appropriately listing tax categories and taxable items, rationally formulate tax rates to readjust the profit difference between enterprises, which has been caused by irrational prices and other factors. Enterprises doing the same business must start on the same basis. This can test the actual ability of enterprises and is the basis for implementing the principle of from each according to his work.

Second, on the basis of maintaining the total profits retained by enterprises throughout the country, enterprises under good management should profit more and backward enterprises should profit less or not at all. The original "interests" fixed according to irrational prices and other factors will not be allowed to exist any longer.

Third, according to the different conditions of trades and the needs of the state and in combination with the readjustment of enterprises' structure, we must provide them with the necessary funds and financial rights to enable them to maintain simple reproduction and to develop production through intensification (technical innovations, renewing equipment, developing new products, and installing complete key equipment). In addition, we must strictly stipulate the use of funds, establish a financial system, and carry out the necessary inspection and supervision.

2. We must be able to reduce administrative departments' interference in industrial enterprises to carry out rational division of labor between the government and enterprises, to create conditions for reforming enterprises' leadership system, and to gradually solve the contradictions between departments and regions. This is beneficial to developing cooperation among specialized units and to reforming and combining enterprises.

Therefore, the practice of enterprises' retaining a certain percentage of profits must be changed, and enterprises (including companies having the nature of enterprises and economic bodies), which will be regarded as independent accounting units, will directly pay taxes to the state instead of turning over profits to the departments or bureaus in charge (including administrative companies). Responsible departments at all levels are required to collect regulating funds and management fees after enterprises have paid taxes to the state, and to earmark funds for their specific purposes. Administrative departments must serve and provide guidance for enterprises on policies, planning, information, and coordination, and help planning, financial, and taxation departments carry out supervision.

3. In working out tax categories, taxable items, and tax rates, we must adhere to the principle of encouraging the advanced, urging the backward on, and promoting technological progress. Tax categories, taxable items, and tax rates must be worked out according to social needs and to the needs for reforming the structure of products to enable enterprises to learn from others' "strong points" to offset their own "weak points" and to develop new technology and new products. In addition, we must also take care of other forms of enterprises to enable enterprises under different ownership systems to develop simultaneously under the principle of paying the same taxes. This is beneficial to production and circulation.

Because economic development in various regions of our country is not equal, enterprises differ very much in management, technology, and profits. Furthermore, they are restricted by various factors. Therefore, some requirements cannot be met immediately, but will be gradually met according to specific conditions and by having a clear idea of tax system reform.

Of course, perfecting tax system reform is merely a breakthrough point. To establish the relationships between the state and enterprises on a stable basis beneficial to the development of production, to constantly improve the quality of enterprises, we must also reform the planning system, the wage system, and the price system, and provide enterprises with the necessary decisionmaking rights.

PROVISIONAL REGULATIONS ON LICENSING IMPORTS

HK151214 Beijing JINGJI RIBAO in Chinese 4 Feb 84 p 2

["PRC's Provisional Regulations Governing the System of Licensing the Import of Goods"]

[Text] Article 1. The regulations hereunder are formulated with a view to strengthening the planned management of import trade, attaining better economic results, and better serving the socialist modernization program.

Article 2. The PRC is practicing a system of licensing the import of goods. Applications for import licenses must be filled in advance for import goods clarified in these regulations, with the exception of goods clarified in existing state stipulations. Companies approved by the state to undertake import business in goods mentioned above shall handle the placement of orders for such import goods, and the Customs shall let the goods pass after examining their import licenses and other related documents.

Article 3. The PRC Ministry of Foreign Economic Relations and Trade shall sign and issue import licenses in a unified manner on behalf of the state.

Within the limits prescribed by the Ministry of Foreign Economic Relations and Trade, the administrative departments of foreign economic relations and trade at the provincial level are authorized to sign and issue import licenses to their respective provinces, autonomous regions, and the municipalities directly under the central government.

The Ministry of Foreign Economic Relations and Trade also can authorize the office of special representatives stationed at major ports to sign and issue import licenses within a prescribed limit.

Article 4. Companies of all types approved by the state to undertake import business must carry out their import business activities strictly within the approved business scope and in accordance with the state's import list.

Import licenses are exempted for goods imported by general import and export companies in the category of the companies mentioned in the preceding clause, import and export companies under various ministries, and import and export companies under the people's governments at the provincial level, with the exception of goods on which restrictions are imposed by the state. Customs shall let them pass after examining their related import documents. When importing goods from abroad, other companies must apply for import licenses and Customs shall let their goods pass after examining their import licenses and other related documents.

The departments and enterprises which are unauthorized to undertake import business shall not import any goods from abroad independently.

Article 5. Import licenses are exempted for goods imported according to agreements and contracts concluded with foreign investors in accordance with state stipulations and upon the approval of the ministries and commissions under the State Council or of the provincial, autonomous regional, and municipal people's governments in relation with such business activities as processing with supplied materials, assembling with supplied parts, compensatory trade, and contracting for projects, goods whose import volume does not exceed the approved limit. However, import licenses are required for selling state-restricted goods imported for use by projects under compensatory trade and the materials and parts imported for use by projects under processing with supplied materials and assembling with supplied parts, or the processed products in the domestic market.

Article 6. Applications for importing goods on which restrictions are imposed by the state must be submitted to the responsible departments and departments in charge of trade classification for examination and approval as stipulated by the state, regardless of in what means, sources of foreign exchange, and import channels. Units placing orders for imports shall apply for import licenses with certificates of approval.

The varieties of state-restricted import goods shall be announced and readjusted by the Ministry of Foreign Economic Relations and Trade in a unified manner.

Article 7. The import of the following goods, which are not in the category of the varieties in the second clause of the preceding article, shall be exempted from import licenses. They include:

1. The sample products bought by or provided gratis by foreign businessmen to companies of all types which are approved by the state to undertake import business;

2. Articles urgently needed for professional use independently bought by the scientific research, education, cultural, sports, medical, and public health departments upon the approval by the Ministry of Foreign Economic Relations and Trade, the administrative departments of foreign economic relations and trade at the provincial level, or the offices of special representatives under the Ministry of Foreign Economic Relations and Trade which are stationed at various ports; these are articles whose value is under \$5,000 on the international market;

3. The component parts of machinery and electrical instruments urgently needed in production bought by industrial and mining enterprises upon approval by the Ministry of Foreign Economic Relations and Trade, the administrative departments of foreign economic relations and trade at the provincial level or the offices of special representatives under the Ministry of Foreign Economic Relations and Trade which are stationed at various ports; these are component parts whose value is under \$5,000 on the international market;

4. Commodities imported under state special permission.

Customs shall let pass import goods in the category of item 2, 3, and 4 of the preceding clause after examining their certificates of approval.

Article 8. Import licenses are required for independently buying goods in the category of items 2 and 3 in the first clause of the preceding article, whose prices on the international markets exceed the stipulated limits.

In independently buying urgently needed goods from abroad, institutions and organizations not in the category of items 2 and 3 in the first clause of the preceding article shall also apply for import licenses.

Article 9. Joint ventures using Chinese and foreign investment can entrust the companies relating to foreign trade to place orders for materials needed in their production and can also import them independently within their scope of operation. The scope and procedures for applying an import license are to be handled in accordance with the stipulations provided in Article 63 of the "Regulations for the Implementation of the Law of the PRC on Joint Ventures Using Chinese and Foreign Investment."

Article 10. In the following cases, the Minister of Foreign Economic Relations and Trade shall not sign or issue, or shall withdraw the import licenses already signed and issued:

1. Goods that the state has decided to stop importing, or temporarily stop importing;

2. Import goods not consistent with state foreign policy;
3. Import goods that do not accord with the contents of the related bilateral trade and payment protocols;
4. Import goods that fail to fulfill the hygienic and quarantine requirements set by the Ministries of Public Health and Agriculture, Animal Husbandry, and Forestry of the PRC for medicine and chemical reagents, foodstuffs, animals and plants, farm produce, livestock products, and aquatic products;
5. Other import goods harmful to the interests of the state or banned by the law.

Article 11. Applicants for import licenses must have official letters issued by the units at and above the departmental or bureau level and hand in the import certificates approved by the responsible departments and departments in charge of trade classification. The application contents must include the names, specifications, quantity, amount of money, purpose of import, the names of countries where goods are to be imported, the sources of foreign exchange for that purpose, and the names of units with which transactions are concluded. After being examined and verified by the organizations in charge of issuing certificates, the applicants who have met the requirements shall be given import licenses.

Units applying for import licenses must report to the authorities concerned accurately, and any falsification is prohibited. Violators shall be investigated and held responsible accordingly.

Article 12. An import license shall be valid for a year. If goods are not imported during the validity period, license-holding units are allowed to apply to the organizations in charge of issuing certificates for prolonging their import licenses' validity period, and the latter are entitled to extend their validity period correspondingly in accordance with the stipulations of their contracts.

Article 13. Customs is authorized to confiscate goods that have been imported without authorization in violation of these regulations or to order that import goods be sent back; they are also authorized to let pass import goods after fining their owners who have received additional import licenses from the organizations in charge of issuing certificates according to their discretion. Anyone who forges, alters or transfers any import license shall be dealt with by Customs according to the stipulations of customs regulations.

Article 14. Goods imported by the special economic zones to be used there shall be handled in accordance with the special stipulations for the special economic zones, and these regulations shall be applied to the imported goods and products produced in special zones which they want to sell in our country's interior.

Article 15. The power to explain these regulations is vested in the Ministry of Foreign Economic Relations and Trade. Detailed rules and regulations for the implementation of these regulations shall be formulated by the Ministry of Foreign Economic Relations and Trade in cooperation with the General Administration of Customs.

Article 16. These regulations shall come into force on the day of promulgation.

I. 16 Feb 84

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CHINA
PRC NATIONAL AFFAIRS

REPORT LAUDS COMPLETED NONINDUSTRIAL PROJECTS

HK150741 Beijing JINGJI RIBAO in Chinese 7 Feb 84 p 2

[Report by Xu Haifan: "Completion of a Number of Large and Medium-Sized Nonindustrial Capital Construction Projects"]

[Text] In 1983, China completed and put to use a number of large and medium-sized nonindustrial capital construction projects. A total of 10 large and medium-sized nonindustrial capital construction projects, with a total investment of over 10 million yuan, were listed in state plans last year, and 5 of them were completed and put into production last year.

The Shaanxi Long-Wave Astronomical Time Service Station was checked and accepted by the state in late November last year. The standard time it issues is up to advanced international time service standards. The Nanjing Astronomical Instruments Factory, which produces broad-lens astronomical telescopes, and the Anhui-Hefei Plasma Research Department are two research and production units built last year. This shows we have achieved a new level in manufacturing astronomical instruments and in nuclear fission and fusion research work.

Last year, we built five large, high-class restaurants and hotels, such as the Shanghai Hotel and the Jinling Restaurant in Nanjing, which have unique architecture, advanced equipment, and refined decor.

This year, about 25 large and medium-sized nonindustrial projects have been listed in state plans. Of these 25 projects, the construction of the China Scientific and Technological Information Center, the Beijing Science and Technology Center, and the Beijing high-energy physical experimental base will soon be carried out. Seven of the above projects have been listed as national key projects.

ARTICLE DISCUSSES NATURE OF INDIVIDUAL ECONOMY

HK150946 Beijing GUANGMING RIBAO Chinese 29 Jan 84 p 3

[Article by Qin Yuzhen: "Gaining an Understanding of the Nature of the Individual Economy at the Present Stage in China"]

[Text] The past few years have witnessed the restoration and development of individual economy within a certain range in rural and urban areas in China. And compared with the previous period, the proportion of this sector in the national economy has increased considerably. But in theory there are differing views on the nature of the individual economy at the present stage in the country. Some comrades hold that at the present stage, individual economy in the country has the nature of socialism or a certain measure of socialist nature. This view merits discussing. The following are my views on this question.

I

The so-called economic form refers to the form of the ownership of the means of production. In the economic sphere, the form of the ownership of the means of production means the relations that are formed by people in the process of producing the means of production and these relations include people's ownership, possession, distribution, and use of the means of production. And ownership is the most basic and decisive of these relations. This ownership determines the possession, distribution, and use of the means of production and consequently it determines the nature of the ownership of the means of production. We usually distinguish the nature of ownership on the basis of different owners of the means of production.

Individual economy refers to an economic form under which the means of production are owned by individuals. Individual economy is generally characterized by the following features: producers possess a small amount of the means of production; they attain the means of subsistence through their own labor; they carry out production and management independently and the scale and range of their production are relatively small. Engels said: "Individual producers are usually producing products with the raw materials that are made by themselves, using their own means of production and resorting to their own handicraft labor or such labor of members of their families. They do not need to possess such products because these products naturally belong to them." ("Selected Works of Marx and Engels," Vol 8, p 310) Such relations of the means of production have determined that individual economy is a private and small economy. The difference in nature between individual economy and other economic forms lies in the following facts: first, the means of production and labor products are privately owned by laborers; second, this economy is based on individual labor. This means that laborers are the owners of the means of production and labor products. When we are able to grasp the first difference, we will be able to distinguish the nature of the individual economy from the nature of the economy with socialist public ownership. And with the second, we will be able to distinguish the nature of the individual economy from the economy with private ownership that has the nature of exploitation.

II

Individual economy began to emerge as early as during the last period of primitive society. Up to now, this economy has experienced several social forms and yet it has never been in a dominating position. In various forms, individual economy has always been subordinate to the economy that is in a dominating position and it is always affected and conditioned by the latter. It is because of this situation that the role of the individual economy in different societies has different features. In capitalist society, the individual economy is subordinate to the capitalist economy. It is subject to blind control of competition and the law of value, and is vulnerable to polarization. But can we consequently say that the individual economy has the nature of capitalism? No. It is true that like capitalist economy, the individual economy is also an economy with private ownership. And historically, the development form of the individual economy -- the result of the polarization in the production of small commodities -- has given rise to the emergence of a capitalist mode of production. But these two economic forms have basically different natures because the individual economy has no nature of exploitation. The individual economy is based on individual labor and the means of production are owned by, and directly combined with laborers, and therefore there is no exploitation in this economy. But capitalist economy is based on employing labor; the means of production are owned by capitalists and divorced from labor. Therefore capitalist economy represents a means for capitalists in exploiting workers and plundering surplus value.

In socialist society, the means of production with public ownership are in a dominant position. The state economy with the ownership by the whole people displays guiding roles in the national economy. The individual economy is subordinate to socialist economy and it is controlled and influenced by the latter. It is because of this situation that the individual economy in a socialist country and the capitalist individual economy have different positions and roles. Marx said: "In all social forms there is always a certain production that determines the positions and influences of all other production forms. Therefore, the relations of this production also determine the positions and influence of all other relations. This production is like a light that is illuminating all things to cover all other colors and change the features of these colors." (Ibid., Vol 2, p 109)

As a supplement to the socialist economy, the individual economy at the present stage in China is subject to the control and influence of the socialist economy with public ownership and is in the service of the socialist economy. Have these features of the individual economy changed its own nature? My answer is no.

Some comrades have regarded the individual economy as having socialist nature or a certain socialist nature because this economy is subordinate to the socialist economy and has new features. Such a view is groundless. First, this view disregards the ownership of the means of production and the defining nature of things themselves. Second, it has confused the nature of economic form and the features of the roles of this economic form under different social systems. Third, if the subordination of economic form is regarded as the foundation for judging the nature of individual economy, the conclusion will be that the individual economy under slave society has the nature of slave economy and that the individual economy under feudal society has the nature of feudal economy. The conclusion based on this logic is of course wrong. Fourth, it is true that the individual economy under socialist conditions has new features; but it does not have the nature of the socialist economy. The socialist economy should have the following features: first, it is based on the means of production with public ownership; second, there are the relations of comradely mutual cooperation in the process of production and exchange; third, the national economy is developing on the basis of socialist basic economic law and the needs of the law of planned and proportionate development while the purpose of production is to meet the increasing needs of the material and cultural life of the whole society; fourth, the distribution of individual consumer goods is carried out according to labor. The individual economy, however, is based on the means of production with private ownership. In individual economy, the relations among the producers of small commodities are the relations among competitors of certain commodities. The development of individual economy is largely subject to spontaneous regulation by the law of value while the purpose of the production in individual economy is to attain the means of subsistence for the producers and members of their families. Consequently, we can in no way say that the individual economy at the present stage in China has socialist nature or a certain extent of socialist nature.

III

It is of practical significance to correctly understand in theory the nature of the individual economy at the present stage in China. To confuse the nature of this individual economy with capitalist economy will result in "leftist" mistakes in practice. Measures have been taken by the CPC since the 3d Plenary Session of the 11th CPC Central Committee to correct "leftist" mistakes and encourage the individual economy of laborers in rural and urban areas to develop properly within the range defined by the state as a supplement to the economy with public ownership. Thanks to the guidance of the correct line of the CPC, the individual economy in rural and urban areas in China has consequently been restored and developed.

In August 1983, Comrade Hu Yaobang met the advanced representatives of collective economy and individual economy from various places across the country. In this meeting, he made an important speech and he said: "The number of individual laborers has come to 1.86 million. And seen from the point of trades, they made up 54 percent in commerce, 9.3 percent in the catering trade, and 7.2 percent in the repair trade." Facts proved that the individual economy has displayed positive roles in such aspects as bringing conveniences to the life of the people, increasing state financial revenues, solving labor employment and activating the economy.

But if in our effort to correct "leftist" mistakes we confuse the individual economy with the socialist economy with public ownership, and consider the former as having the nature of socialism or a certain extent of the nature of socialism, we will consequently make rightist mistakes in practice.

We must understand that although the individual economy under socialist conditions has new features, it still belongs to the range of private ownership; it in no way has socialist nature. The main activities of the individual economy are still subject to spontaneous regulation by the law of value. Individual owners are both laborers and private owners. As laborers, they may develop along socialist orientation under the influence and control of the socialist economy with public ownership; but as private owners, they also have the nature of spontaneity and blindness. Some individual households may also practice fraud and engage in profiteering and other illegal activities. Therefore, it is imperative for us to really understand the nature of the individual economy. It is imperative for the CPC and government to strengthen leadership and exercise strict management over the individual economy. The management over this economy must be carried out by resorting to economic levers and administrative means. Individual laborers must be given more socialist education so that they will be able to abide by state policies and laws and decrees and serve the socialist economy still better. The individual households that have violated the law and discipline, illegally bought up goods for which there is a state monopoly of purchase and marketing and sold them to others, deceived trades and monopolized the market, sought exorbitant profits, and committed serious crimes in these aspects must be subject to legal punishment.

ARTICLE SAYS BANKING SYSTEM REFORM IMPORTANT

HK151312 Beijing RENMIN RIBAO in Chinese 1 Feb 84 p 5

[Article by Lu Baifu and Qian Zhongtao: "Establish a New Socialist Banking System in Our Country" -- boldface as published]

[Text] The gradual reform of China's economic system and new changes in the structure of the distribution of the national income have given rise to marked changes in the role and status of our banks in the development of the national economy. Suiting the needs of this new form of economic growth and building a socialist banking system with Chinese characteristics now constitutes an important task in the reform of the economic system.

The Reform of the Banking System Is Imperative

One of the key problems in urgent need of solution at present in the economic system reform involves making the most of the backbone role of banks, bringing about unified management of financial activity, gaining further control of the macroeconomy from the point of view of the form of value, and raising the standard of our management and planning to a new level. After the founding of the country, our banks for a long time pursued the use of a monolithic national banking system. The People's Bank of China acted both as a central bank performing the duties of administration and management of the whole nation's finances and the issue of currency, and at the same time took charge of such business activities as credit, deposits, settling accounts, and foreign exchange. This monolithic national banking system was connected with our highly centralized economic management system and, in the financial sphere, our pursuit of a system of unified income and expenditure in the management of funds. This sort of banking system is no longer able to meet the requirements posed by national economic development.

Since the 3d Plenary Session of the 11th CPC Central Committee, with the implementation of the policies of opening up to the outside and enlivening the domestic economy, along with our economic system reform, commodity production and exchange have experienced great development. In response to the needs of national economic growth, some reforms were carried out with regard to the unified banking system. Since 1976, we have seen the revival or establishment of the Agricultural Bank, the Bank of China, the Construction Bank and other specialist banks, and the revival of the China People's Insurance Company's domestic insurance business. Financial institutions such as the China International Trust and Investment Corporation, which is devoted mainly to bringing in foreign capital, also have been created. The successive appearance of specialist banks and various financial institutions indicates that China has entered a new phase of development in the financial sphere. Over the last few years, these specialist banks and financial institutions, acting as independent economic entities, have in their respective spheres of responsibility made the most of their strong points, actively promoted their business, and played a positive role in raising social funds and promoting the readjustment and growth of the national economy.

However, even after the establishment of these specialist banks, the People's Bank of China has continued to run the business of credit and deposit for industry and commerce. This system of two tasks being carried out by one body inevitably weakens the important status of the bank in carrying out its duties as the central bank. From the point of view of the entire socialist banking system, there is a lack of strong financial management organ able to administer and coordinate financial activities throughout the country; this lack has created the situation in recent years of too many groups handling credit funds and the consequent dispersal of these funds. This situation goes against the objective demands of China's planned economic system. It has, therefore, become an important part of the further reform of China's banking system to strengthen the functions of our central bank, increase the unified management of the entire country's financial activities, and thereby help the state to control and regulate the national macroeconomy. In light of this need, as from 1984, the People's Bank of China will no longer manage the business of industrial and commercial credit and deposit, and instead the China Industrial and Commercial Bank will be set up to take over these functions. This will represent a great step forward in the reform of our socialist banking system.

Banking Work Should Adapt to The New Transition

China's central bank is the organ through which the state leads and manages the finances of the whole country, and an important institution through which the state exercises control over and regulates the national macroeconomy.

In the past, due to the pursuit of a system of unified income and expenditure, the vast majority of the redistribution of the national income was centralized at state level, while the business activities of the bank were carried out within a relatively narrow sphere. Though the People's Bank of China also exercised the function of a central bank, it was by no means able to give full play to its role of controlling and regulating the national macroeconomy. Over the past few years, the reform of the economic system has brought about great changes in the structure of the distribution of the national income. In the process of social reproduction, the funds accumulated and distributed through the channel of bank credits have experienced huge growth in both quantity and scope. From 1979 to 1982, bank deposits increased by 120 billion yuan and more, an average annual increase of 20 percent.

Moreover, the scope of bank credits expanded from its previous sphere of circulating capital to the sphere of investment in fixed assets. Even more important was that from 1979 onward, the banks began to rely less and less on the support of state finances, as they had been doing for so long, and began to take on some of the state's financial burden. All of this goes to show that banking is no longer insignificant in the control and regulation of the national macroeconomy, but has become an economic force to be reckoned with.

It must, however, be realized that state policy decisions concerning the macroeconomy must be strictly implemented throughout the whole of banking activity; if full play is to be given to the role of banking in the control and regulation of the macroeconomy, this cannot possibly be achieved merely through the dispersed activities of separate banks. If our socialist banking system is genuinely to become the "nerve center" of national economic activity, there must exist an authoritative central controlling body exercising unified management and supervision over such important spheres as the financial system, currency issue, credit plans, and the management of foreign exchange. These important functions can only be carried out by a central bank standing above the ordinary specialist banks and concrete credit business activities. To this end, the People's Bank of China will henceforth be occupied solely with the overall administration and supervision of financial activities throughout the country, and will no longer participate directly in credit business. This constitutes an important turnaround in the reform of China's banking system.

Since the Industrial and Commercial Bank was set up independently of the People's Bank of China, the tasks of the People's Bank in its capacity as the central bank have not only not lightened, but in some senses have indeed become heavier; its status and role in the control and regulation of the national macroeconomy has not only not weakened, but has strengthened; and its administration and supervision of the whole country's financial activities have not only not become merely nominal, but have become more substantial. This reform of the banking system has made even higher demands on banking work, and our understanding and work must as soon as possible adapt to this new change.

How To Make the Most of the Central Bank

If China's central bank is to work in the service of the nation's macroeconomic policies, it should do so through the following three aspects:

FIRST, ENERGIES MUST BE CONCENTRATED ON RESEARCHING AND DRAWING UP A NATIONAL FINANCIAL POLICY. A national financial policy constitutes both an important integral part of the national macroeconomic policy, and an important means of ensuring that such a policy will be carried out. The central bank should, on the basis of the demands of national economic and social development strategy for a certain period of time to come, research into and draw up the policies, lines, laws, and basic system concerning national financial work, and with the permission of the state, organize and carry out supervision of these policies. But even more important is the need to begin deep investigation and study of the long-term development strategy of our banks. If this research into long-term banking work strategy is not done, it will not be possible to draw up stable currency and credit policies suited to the strategy for national economic and social development. For the central bank, this constitutes a key task. The central bank should as far as possible stand above trifling administrative matters, and concentrate its energies on work in this area.

SECOND, STRENGTHEN THE UNIFIED MANAGEMENT OF CREDIT FUNDS, CREATE AN OVERALL BALANCE, AND MAINTAIN THE STABILITY OF THE CURRENCY.

In the economic situation in which there still exist in China commodity currency relations, bank credit becomes a special form of value movement and an important economic backbone, and as such, constitute an important link in bringing about overall balance in the national economy, and plays a highly important role in the drawing up of national economic plans, putting them into practice and readjusting them.

Given the intimate relations between the movement of credit funds and the issue of currency from banks, the movement of bank credit funds can directly influence the state of market currency flow; after the establishment of the central bank system, the various credit businesses of the banks will be handled by the various specialist banks themselves. Therefore, the need for overall balance between bank credit movements and the dispersed management of daily business affairs will present a contradiction which can only be solved through unified management of the whole country's credit funds by the central bank. All projections for credit income and expenditure for each of the specialist banks should be part of an overall national credit plan drawn up by the central bank. Moreover, if the central bank is to exercise genuinely unified management over the whole country's credit activities, it must also have at its disposal a necessary amount of credit funds to regulate the money supply. Only in this way will the central bank be able to effectively control and regulate the amount and direction of credit invested by the banks, create an overall balance, stabilize the currency, and promote the planned, proportionate development of the economy.

THIRD, ECONOMIC INFORMATION SHOULD BE PROVIDED FOR THE PURPOSE OF DRAWING UP STATE MACROECONOMIC POLICIES. The banks are the "barometers" of the national economy. As the central axis of all currency and funding activities throughout the country, a socialist bank has widespread but intimate contacts with various sectors, regions, and enterprises which make up the national economy, and as such, forms a link between all activities in the national economy. All sorts of information concerning the national economy, such as the state of enterprise production and sales, the state of market supply and demand, price changes, changes in the proportions of the national economy, and even world economic trends, can all be reflected through the business activities of the various specialist banks, such as credits, accounting, cash income and expenditure, income and outflow of foreign exchange, and so on. However, if this economic information is to be promptly fed back, becoming the scientific basis for the formulation and regulation of national macroeconomic policies and plans, it must go through much selection, collation, overall analysis, research, and scientific testing. This systematic process should be achieved through a nationwide economic information network with the central bank at its center.

Financial policymaking, credit management, and giving economic information represent three important jobs for the central bank. To do them well, the central bank must not only establish an authoritative policymaking body, but must raise its own management standards, and in particular the quality of its cadres.

Relations Between the Central Bank and the Specialist Banks

In light of the objective needs of economic development, the right direction for the reform of our banking system is to gradually set up a banking system in which work is divided on a cooperative basis between the various specialized banks under the unified leadership and coordination of the central bank. This in turn requires the correct handling of the relations between the central bank and the specialist banks.

Ours is a socialist country. All banks, whether specialist or central, are national banks, and must follow the principle of "the planned economy as the main, with market regulation as secondary."

Their basic interests are the same. This also represents the fundamental difference between our central banking system and that of the West. As for the relations between China's central and its specialist banks, on the one hand the specialist banks form an economic entity with other financial bodies, and carry out their functions independently within the scope decreed by the state and according to national laws, decrees, plans, and policies. In terms of administration they are not subordinate to the central bank; the latter by no means interferes in their normal business and administrative duties. This helps the specialist banks throw themselves into financial activities and make the most of themselves according to the particular rules of their business.

On the other hand, however, as independent economic entities, the specialist banks and other financial organs will inevitably have their own economic interests. It must be realized, moreover, that their business activities are intimately related to the national economic sectors concerned, and that essentially these relations by no means break through the limitation of departmentalism. Therefore, from the point of view of the entire national economy, the business activities of specialist banks ultimately count as partial financial activities, and cannot but have certain limitations. This then requires unified management of bank credit funds and macroeconomic policies which will bring about an overall balance and correctly handle and overcome these limitations. To this end, the central bank must exercise coordination, leadership, supervision, and inspection of all specialist banks and other financial organs in the business sphere.

In order to give the central bank a more comprehensive understanding of the situation and therefore enable it to better coordinate the relations between the various specialist banks and produce realistic policies, it has been decided that part of this banking reform will be to effect a central bank council system, with a central bank council participated in by the People's Bank of China, the various specialist banks, economic departments concerned, and financial experts. This council will act as a policymaking body discussing important questions of national financial work. It has also been decided that the People's Bank is the policy implementation organ under the leadership of the central bank council. Decisions taken by the central bank council must be carried out by the specialist banks and other financial bodies. If specialist banks or other financial bodies violate the decisions of the central bank council or the state macroeconomic policies, the central bank will carry out administrative or economic sanctions against them. This is an objective condition for the central bank to be able to carry out its functions. It should be realized that now and for a certain period of time to come, as the economic system reform is opened up in an overall way, and the various economic backbones have not yet given full play to their potential, it is important that the central bank adopts the above measures of sanctions against the specialist banks when necessary.

This new form of mutual relations in the new socialist banking system means that under the unified management and supervision of the central bank, the coordination of the business activities of all the specialist banks will ensure that the whole of the banking system will play an important and correct role in the development of the national economy.

The reform of the banking system is an important part of the economic reform and must be carried out actively and reliably. If we want to establish a socialist central bank system with Chinese characteristics, it is also necessary for us constantly to gain an understanding of new situations, sum up new experience, solve new problems, and further perfect the system in the course of practice.

SONG PING ON POOLING RESOURCES FOR KEY PROJECTS

HK151035 Beijing JTINGJI RIBAO in Chinese 7 Feb 84 p 2

[Report by Huang Jian: "Song Ping of the State Planning Commission Emphasizes the Need to Pool Material Resources To Ensure Key Construction Projects"]

[Text] At the national meeting of materials bureau chiefs, Song Ping, state councillor and minister in charge of the State Planning Commission, pointed out: In doing the work related to materials and goods this year, we should continue to satisfactorily strike an all-round balance and must concentrate our material resources on ensuring the construction of key projects.

Song Ping said: Under the present situation, whereby there is a relative shortage in our country's supply of major materials and goods, the materials departments should be well-informed on the supply and demand situation in society, control the scale of investment in fixed assets, supply materials and goods in accordance with the progress of project construction, and ensure that no materials or goods are supplied to those who are not qualified to receive supplies.

Concerning the problem of concentrating material resources to ensure that the construction of key projects, Song Ping said that last year, the materials developments at various levels adopted the method of implementing all-round responsibility for the supply of complete sets of materials and goods and thus promoted the service work of the materials department and raised economic results in the field of circulation. He said that this method had to be popularized.

Song Ping said: People are all very much concerned about the problem of structural reform in materials departments. As this reform is related to the structural reform of our entire economy, we should take into account the entire economy in planning it. However, no matter what reform we carry out, we can say for sure that we cannot slacken our work of economic planning, striking a balance of materials, administration, and management.

Song Ping hopes that the materials departments will vigorously develop the scientific research into the technology in the field of circulation, expand the scope of application of electronic computers, promote the modernization of materials management, and, at the same time, grasp the training of their personnel, satisfactorily run the higher education institutes related to materials and goods, train various kinds of professionals, and give training to the cadres at all levels to enable them to renew their knowledge.

ZHAO ZIYANG HAILS HENAN AFFORESTATION

OW160043 Beijing XINHUA Domestic Service in Chinese 0952 GMT 15 Feb 84

[Text] Beijing, 15 Feb (XINHUA) -- Premier Zhao Ziyang recently wrote a letter to the leading comrades of the Ministry of Forestry praising the success achieved by Henan's Yu County, which has built a 1-million-mu network of trees on its cropland within 1 year. The premier said the country's experience is worth emulating by other counties.

Premier Zhao Ziyang said in his letter that he was highly delighted and inspired by the county's afforestation success achieved during the year. He said: We can see from this example that there is great potential for the afforestation of flatlands.

Premier Zhao pointed out in his letter: "An important reason why Yu County, which is situated on a plain, was able to complete afforestation during the year is because the whole county, from leading departments to grassroot units, had long been prepared ideologically, organizationally, and materially for the project. While disseminating the county's experiences, we should focus primarily on how it accomplished the project in a down-to-earth manner. We should neither speak in generalities and call on people to complete afforestation within 1 year, nor should we mobilize the people to visit the county, lest this cause ill effects. Our previous experiences show that while we were often successful in disseminating good experiences in a few selected units, the task tended to become formalistic when carried out on a large scale. This lesson must be kept in mind."

Premier Zhao's letter continues: "It is hoped that the Ministry of Forestry will select a dozen or so counties to follow Yu County's example, making sure the project is well planned and strictly followed in order to make afforestation a success. In terms of measures, the project should be started at several communes or townships, and then expanded to other areas. It is hoped that fruitful results can be achieved as quickly as possible, and that our land can be afforested in a more down-to-earth and successful manner."

According to a report from Henan, over the past year the party committee and government of Yu County, Henan, worked in a down-to-earth manner in leading the people of the county to plant trees and, during the year, planted between their croplands 8.52 million paulownia, phoenix, and tung trees, or 5 times more than in 1982, thus forming a tree network of 1 million mu. Now, 90 percent of the county's land suitable for trees -- or 8 times that of the woodlands that had been preserved by 1982 -- has been afforested. Today, the shoulders of the county's 2,100 roads and paths and both sides of the county's 959 ditches have been afforested. The county's goal of building a network of trees on its croplands has been realized within 1 year.

DENG LIQUN ATTENDS SELF-STUDY AWARDS

OW141217 Beijing XINHUA in English 0849 GMT 14 Feb 84

[Text] Beijing, February 14 (XINHUA) -- The first group of 133 self-taught people in Beijing received their college diplomas today after passing examinations in about ten required subjects after three or four years of study.

Aged from 21 to 42, these 133 graduates who received their diplomas in the Great Hall of the People today were met by senior party official Deng Liqun and Vice-Mayor Bai Jiefu. They have passed exams in such courses as philosophy, political economy, Chinese language, modern Chinese history, basic legal knowledge or other subjects. The scope of examinations cover 14 specialities.

One graduate is 30-year-old Hou Yong, a teacher from a technical school run by the Beijing Blanket Factory, who came in top in English. He had only had primary education and as a teenager worked on an Inner Mongolian farm. Since returning to Beijing, he has devoted his spare time to learning English and can now interpret for business talks. 40-year-old Feng Yue, a mother of two, passed Chinese language with flying colors. After 20 years of work experience in the city's grain company, she became eager to improve her education and increase her ability. Since 1981, she has worked hard on Chinese.

Meanwhile, today's BEIJING DAILY gives notice that the Beijing Radio and TV Correspondence College will add courses in civil engineering, chemical engineering and industrial management to its existing machinery and electrical engineering courses. It informs those people who want to attend these courses to apply between March 1st and 7th to be examined on April 14th and 15th.

Such spare-time education is being widely encouraged in China to supplement full-time higher education, which still fails to cope with popular demand, though the country's college enrollment rate has risen from four percent of the senior middle school graduates during the "Cultural Revolution" to the present 10 percent.

So far around 45,000 self-taught citizens in Beijing have passed single-course examinations in college subjects since 1980. They accounted for more than 30 percent of examinees in the past few years.

SONG RENQIONG ADDRESSES SELF-STUDY COLLEGE

OW150634 Beijing XINHUA Domestic Service in Chinese 1453 GMT 14 Feb 84

[By reporter Yang Jianye]

[Excerpts] Beijing, 14 Feb (XINHUA) -- The Beijing Self-Study College of Language and Literature held a school management work meeting in Beijing from 9 to 14 February. The speakers at the meeting included Song Renqiong, member of the Political Bureau of the CPC Central Committee; Sun Daguang, minister of geology and minerals; Cao Delin [2580 1795 2651], deputy director of the Propaganda Department of the CPC Central Committee; Zhang Wensong, vice minister of education; and Sa Kongliao and Wang Li.

The college was established more than 2 years ago. Its current enrollment exceeds 160,000, scattered over 29 provinces, municipalities, and autonomous regions. In the past, it offered only correspondence courses. It has now become a national self-study college offering both correspondence courses and classroom instruction. It has 18 branches or tutorial stations (classes) in various parts of the country. Additional branches and tutorial stations (classes) will soon be set up in nine provinces, municipalities, and autonomous regions.

In his speech, Song Renqiong said: The Beijing Self-Study College of Language and Literature is a very large school founded without any state funding. It meets and satisfies the demands of the broad masses of cadres, workers, and unemployed youth seeking cultural knowledge. This college is run very well. It has contributed to the four modernizations and to the development of intellectual resources and is warmly welcomed by all quarters of society. He described it as a college full of promise.

Song Renqiong emphasized: The self-study college has become an important and indispensable school on China's educational front. We should conscientiously sum up our experience and make persistent efforts to make it still better and make it contribute still more to China's socialist modernization.

During the meeting, representatives of various localities exchanged their experiences in school management and formulated three measures to further improve the management of the self-study college. Bian Zhifei, vice president of the Beijing Self-Study College of Language and Literature, presided over the meeting. Shi Zongshu, president of the college, addressed the meeting.

YANG SHANGKUN RECALLS SU YU'S MILITARY SERVICE

OW160205 Beijing XINHUA Domestic Service in Chinese 1506 GMT 14 Feb 84

[Article by Yang Shangkun: "Learn From Comrade Su Yu's Revolutionary Fortitude and Creativeness"]

[Text] Beijing, 14 Feb (XINHUA) -- Comrade Su Yu has left us. The party and the Army have lost a tried Communist fighter and an outstanding leader. His departure has filled us with much grief.

Comrade Su Yu devoted his entire life to the great cause of liberation of the motherland and to socialist construction. During the long years of war he never forsook his firm conviction in the communist cause. Under whatever harsh conditions and perilous battles, he fearlessly charged forward without the slightest concern for his own safety. Under the reign of white terror and brutal repression in 1927, Comrade Su Yu determinedly responded to the party's call and joined the troops of Ye Ting in triggering the noted Nanchang Uprising. From then on, Comrade Su Yu embarked on the path of armed struggle. Despite setbacks by the insurgent troops in the advance toward Chaozhou and Shantou, he remained undaunted. Later, he followed Comrades Zhu De and Chen Yi to fight formidable battles in various places. Although seriously wounded, he persisted in the armed struggle, took part in the Xiangnan riot, and later went up to the Jinggang Mountains.

During the 3 years of guerrilla warfare behind enemy lines in southern Zhejiang, Comrade Su Yu prominently demonstrated his revolutionary fortitude, courage, and resourcefulness as a Communist. After suffering defeat, only several hundred of the Red Army's anti-Japanese advance forces managed to escape enemy encirclement. Having lost contact with the party Central Committee, Comrade Su Yu led the remnant troops in building a guerrilla base in the enemy's heartland. They repudiated the erroneous "leftist" line and promptly carried out the correct policy of changing from mobile to guerrilla warfare. By closely relying on the broad masses of people, they successfully breached the many frenzied sieges and encirclements by scores of enemy battalions. In those 3 years, they encountered formidable difficulties; however, they triumphantly persevered, preserved the backbone force, and tempered the troops in preparation for an upsurge in fighting the Japanese aggressors.

Comrade Su Yu was wounded on six occasions throughout 22 years of revolutionary war, but he was consistently in the forefront of each battle. During the 10 years of turmoil, Comrade Su Yu waged resolute struggles against the Lin Biao and Jiang Qing counterrevolutionary cliques. While in charge of national defense industry and communications, under the direct leadership of Comrade Zhou Enlai, he made every effort to reduce the party's and state's losses. Comrade Su Yu constantly showed concern for the security of national defense and army building. More than once he told Comrade Zhou Enlai that should war break out again, he would go to fight at the battlefield. Despite his advanced age and serious illness he still showed concern for state and military affairs. Throughout his life, Comrade Su Yu spared no effort in performing the duty of a proletarian revolutionary.

In the years of the agrarian revolutionary war, the war of resistance against Japanese aggression, and the liberation war, Comrade Su Yu commanded troops in major battles and won numerous victories. He was one of our Army's outstanding generals and military strategists. As a senior commander of the Army, he possessed many outstanding traits and sterling qualities. He had the vision of a strategist, was quick to observe new military and political developments, and was capable of judging an issue from a strategic angle by giving due attention to the actual circumstances of the battle and to the overall strategic plan. He attached much importance to making investigations and studies of the enemy and his own troops. His mastery of details about both sides made him resourceful and decisive in directing a battle. He showed much flexibility in directing military operations without being constrained by dogmatic rules. As long as the order of the higher commands was followed, he made decisions on where, when, and at which target to strike. He had firm resolution and was never distracted by superficial phenomena or transient difficulties; yet when major events occurred he was quick to decide on changes in plans. He was a superb engineer and grasped the best opportunities for combat, displayed his subjective activity, and took the battle initiative into his hands.

Regarding orders of the Central Committee and the higher commands, he profoundly grasped the essence and presented practical proposals in light of actual conditions. He demonstrated his creativity in carrying out orders. Upon Comrade Su Yu's proposal and approval by the Central Military Council and Comrade Mao Zedong, he fought and won the incredible central Jiangsu and eastern Henan battles during the liberation war period.

After the founding of the People's Republic, Comrade Su Yu preserved and carried forward the party's fine tradition of doing practical work. In those years when he was made deputy chief of the General Staff, chief of the General Staff, vice president and first political commissar of the Military Science Academy and Standing Committee member of the Military Commission, he adopted the correct attitude of upholding and developing Mao Zedong's military thought. He paid attention to summing up the historical experience of China's revolutionary war, observing new developments in the military science of foreign countries, application of modern science and technology to military purposes and its ramifications. He also made arduous and valuable research and study, in the light of China's state of affairs and military situation, on new topics confronting the Army in modern warfare which embraces army building, strategic principles, the art of war, and battlefield constructions.

The source of Comrade Su Yu's outstanding traits and sterling qualities was his unswerving loyalty to the party and his strong sense of responsibility toward the revolutionary cause. Always discontent with his own experience, he studied hard to master Marxism-Leninism and Mao Zedong Thought, drew lessons from war, learned from Comrade Mao Zedong and other veteran proletarian revolutionaries and from the broad masses of cadres and fighters. Because of his keen interest and alertness to new ideas and things, he successfully emancipated his mind, broke old conventions and rules and often came up with proposals of deep insight and careful judgment.

We are now in a new historical period undergoing great changes. The party has set forth a grand strategic objective at its 12th national congress calling for forging an all-round new situation in China's socialist modernization. With the party rectification work now unfolded, it is even more necessary that we adhere to the party's ideological line of seeking truth from facts, integrating theory with practice, and doing practical work. It is even more important that the broad masses of cadres, particularly the senior leading cadres, firmly and creatively carry out their work in keeping with the party's line, principles, and policies. To earnestly learn from Comrade Su Yu's sterling qualities and his revolutionary fortitude and creativity is the best way for us to mourn our departed comrade.

SU YU SPRING FESTIVAL STATEMENT PUBLISHED

HK160911 Beijing RENMIN RIBAO in Chinese 12 Feb 84 p 4

["Written statement" by Su Yu "at spring festival tea party"]

[Text] In the past 3 years or so, because of a long-term illness in the hospital, I could not participate in many of the important meetings and activities held by the CPC Central Committee. I am grateful to the CPC Central Committee and to the Advisory Commission and Military Commission of the CPC Central Committee for giving me the opportunity to understand and study in a timely way the important instructions and documents of the CPC Central Committee, which gives me mighty spiritual strength. Although I am ill in bed, my heart is closely linked to, and I feel I am fighting side by side with, the CPC Central Committee and the people of the whole country.

The people of our generation are grown up and have experienced the course of Marxism's dissemination to China and of Mao Zedong Thought's shaping and development. We profoundly realize, from our personal experience over the past decades, that without the Communist Party and Mao Zedong Thought there would be no New China or victory of the Chinese revolution. Comrade Mao Zedong was not only a member of the proletarian revolutionaries of the older generation, but also a worthy outstanding representative, conspicuous in the same generation.

Since the 3d Plenary Session of the 11th CPC Central Committee, under the leadership of the CPC Central Committee, Jianying, Xiaoping, Chen Yun, and other proletarian revolutionaries of the older generation have taken the helm, pooled the wisdom of the whole party and nation, reestablished the party's Marxist line and Comrade Mao Zedong's historical position, put forward and implemented a series of major and influential strategic principles, policies, and measures, correctly led the struggles to correct things, and triumphantly implemented the grand modernization program. Hard facts have once again proved that the CPC, guided by Marxism Leninism-Mao Zedong Thought, can rely entirely on its own strength in overcoming its dark aspects and in correcting its mistakes and is entirely capable of leading the people of all nationalities throughout the country in surmounting any difficulty in the way of advance and of constantly winning new victories.

A great change usually causes some weak-willed people to become dizzy or even to vacillate. At present, there are some party members, including some holding leading posts, who are frightened by the serious setbacks of the 10 years of turmoil. They doubt Marxism-Leninism-Mao Zedong Thought and hold that the stand, viewpoint, and methods of Marxism can no longer explain our society and can no longer guide our struggles. This matter gives us much food for thought. While the whole nation is filled with elation and marching ahead, some party members exaggerate the difficulties has always been the spirit of communists. The decision on party rectification is an important measure taken by the CPC Central Committee to meet the needs of the new situation and tasks and to courageously eliminate the grave problems existing in ideology, work style, discipline, and organization within the party. Therefore, our party members must not hesitate but must actively plunge into party rectification and strive to win the victory in party rectification.

Like the majority of comrades throughout the nation, I have full confidence in the great truth of Marxism-Leninism-Mao Zedong Thought, in the brilliant future of the Chinese revolution and construction, and in the glorious future of the communist cause.

The veteran comrades attending today's meeting are all people who have withdrawn to the second and third lines. It will have a far-reaching influence on the continuous development of the party's correct line and policies and on the long-term stability and prosperity of the state if we withdraw from the first line and exert our role in the second and third lines and let the young people who have both political ability and integrity and who are in the prime of life work in the first line. We old comrades place our heartfelt expectations in the comrades fighting in the first line. For a variety of reasons, our party has suffered heavy losses involving the problem of succession. Today, under the leadership of the CPC Central Committee, this problem is being solved. CPC Central Committee has decided to actively establish the "third echelon" and to regard the weeding out of the "people of three categories" as the key to purifying organizations, which enjoy immense popular support.

This will inevitably lead to an appropriate solution of the problem of succession.

We old comrades are usually described by people as "influential figures." By influence, I suppose the influence of the party's radiance is meant, the fighting achievements, and the revolutionary tradition that have affected us. Let us value such influence and emit our light and heat to the party and people until the last.

The Spring Festival is approaching, and I wish you all a happy New Year, good health, and a happy family!

NIE RONGZHEN CHAIRS OLD AGE STUDY GROUP

OW160017 Beijing XINHUA Domestic Service in Chinese 1305 GMT 15 Feb 84

[Text] Beijing, 15 Feb (XINHUA) -- At the request of the Chinese National Committee for the Study of Old Age, Nie Rongzhen, member of the Political Bureau of the CPC Central Committee and vice chairman of the Central Military Commission [zhong yang jun wei 0022 1135 6511 1201] has happily become the honorary chairman of this committee.

Comrade Nie Rongzhen, 85, pays great attention to the issue of aged people in our country. He wrote a letter on this issue to ZHONGGUO LAONIAN journal in late November last year pointing out that in the course of our country's four modernizations drive, the intellectual resources of aged people should not be underestimated, and the issue of old age must be regarded as a strategic issue to be dealt with comprehensively under strong leadership and with overall planning. the letter prompted the study of aging in our country.

After becoming honorary chairman of the Chinese National Committee for the Study of Old Age, Comrade Nie Rongzhen expressed the hope that the committee will work hard in helping aged people to live a long, healthy life so that they can continue to contribute what they can to the four modernizations, and so that the Chinese people's traditional virtues of respecting and caring for the aged can be carried forward.

PLA TO JOIN 'CIVILITY, COURTESY MONTH' CAMPAIGN

OW120536 Beijing XINHUA Domestic Service in Chinese 1151 GMT 11 Feb 84

[Text] Beijing, 11 Feb (XINHUA) -- The PLA General Political Department has issued a circular urging the whole Army to seriously carry out the suggestions made by the Central Committee for promoting five stresses, four beauties, and three loves activities with regard to 1984 activities and to actively join the third "All-People Civility and Courtesy Month" campaign.

The circular points out: All PLA units should make continued efforts to build socialist spiritual civilization with the "four haves, three stresses, and two fearlessnesses" [have ideals, morality, knowledge, and physical strength; stress soldiers' appearance and bearing, courtesy, and discipline; fear neither hardship nor sacrifice] as the basic goals. Through party rectification work, they should make a conscientious effort to solve those problems about which the masses are most concerned and have the most serious complaints, and which have the greatest impact in order to make advances in building spiritual civilization and fulfill their various tasks. It is necessary to intensify education in patriotism, communism, and revolutionary traditions, and to go all out in carrying forward the revolutionary spirit, the death-defying spirit, the discipline-abiding and self-sacrificing spirit, the spirit of self-interests, the spirit of conquering all enemies and surmounting all difficulties, and the spirit of upholding revolutionary optimism and overcoming hardship to win victories. In doing this, it is essential to pay attention to the actual effects instead of pursuing formalities.

The circular asks all PLA units to take an active part in the various activities which the local governments have organized under unified planning. They should do a good job in popularizing and improving the work of building civilized places through Army-people cooperation, with special attention given to some aspects as needed. Those units which have conditions to do this but have not yet done so should quickly choose some places in their respective localities and turn them into civilized places by working together with the local people. If work has been started on building civilized places, more efforts should be made so that work will be further improved. In addition, PLA units should take the initiative in doing some welfare work that will benefit local masses on a long-term basis. While cooperating with the people in building civilized places, PLA units should humbly learn from the local governments and masses in order to use what they have learned to promote their own construction. Provincial military districts, military sub-districts, and People's Armed Forces departments should pay attention to the militia's spiritual civilization and should fully play their exemplary and leading role in promoting such civilization.

The circular states: In this year's "All-People Civility and Courtesy Month" campaign, all PLA units should study and decide upon the activities to be carried out by proceeding from their own reality. It is necessary to give prominence to the importance of this campaign as an ideological education. Efforts should be made to publicize the importance of warmly loving the motherland and revitalizing China, and to encourage cadres and fighters to make new achievements in building socialist spiritual civilization to bring about a fundamental turn for the better in the general mood of our society. This campaign should be combined with activities to learn from Lei Feng, from the Hua Shan fighting collective known for its efforts in rescuing people from a natural disaster, and from other advanced collectives and individuals.

The circular asks party committees and political organizations at all levels to strengthen their leadership over this campaign.

MAO'S LETTERS ADVOCATE SCIENTIFIC DEBATE

HK130509 Beijing GUANGMING RIBAO in Chinese 25 Dec 83 p 2

[Article by Zhang Jiyi and Qiao Dongguang: "Contention Among a Hundred Schools of Thought Is the Way to the Development of Science -- Notes on Reading Mao Zedong's Seven Letters to Liu Shaoqi and Others"]

[Text] On the occasion of commemoration of the 90th anniversary of Comrade Mao Zedong's birth, GUANGMING RIBAO published his seven letters to Liu Zhaoqi and other comrades. These letters, mainly on the theme of the contention of a hundred schools of thought, mentioned and advocated the importance and necessity of the guideline of contention among a hundred schools of thought in the realm of science. They pointed out the attitude and method that should be adopted in thorough implementation of this guideline. Our learning from these letters today carries important significance in further promoting our academic research work, implementing the guideline of "letting a hundred flowers blossom and a hundred schools of thought contend," and developing our country's scientific and cultural enterprises.

I

Comrade Mao Zedong's letter of 30 April 1957 to Comrade Hu Qiaomu is an important document on the promotion and development of contention in the domain of science following the advocacy of the guideline of "letting a hundred flowers blossom and a hundred schools of thought contend." In his letter, Comrade Mao recommended an article written by Professor Li Ruqi [2621 3067 4388] of Beijing University and entitled "A Discussion From the Standpoint of Genetics on Contention Among a Hundred Schools of Thought" and carried in GUANGMING RIBAO.

He pointed out: "This article is useful; please reprint it in RENMIN RIBAO." He also wrote an "editor's note" on this article, reworded the caption of the article to "A Necessary Road to Development of Science," and further pointed out the importance of carrying out the guideline of contention among a hundred schools of thought in the domain of science.

This special regard paid to Professor Li Ruqi's article by Comrade Mao Zedong had an impressive historical background. In the field of genetics before liberation in our country, there had already existed two different schools of thought represented separately by Michurin and Lysenko of the Soviet Union and Morgan of the United States. At that time, by far the great majority of biologists belonged to Morgan's school. After liberation, quite a few scientists of this school changed their viewpoints after studying Michurin's theories, although not a few of these scientists still insisted on their original viewpoints. For a period of time, our biological circles, in studying from the Soviet Union, one-sidedly stressed the doctrines of Michurin and Lysenko, suppressed and attacked the Morgan school of thought, and capped on its followers the titles of "capitalist class" and "reactionaries." As a result, many of the scientists were unable to carry on their research work on genetics or to conduct courses of study in this field in the higher institutions of learning. The many branches of the school of genetics were thus on the verge of being eliminated in our country.

In order to promote the development of literature and art and the progress of science in our country, in April 1956 Comrade Mao Zedong advocated the guideline of "letting a hundred flowers blossom and a hundred schools of thought contend." Subsequently, he pointed out: "Letting a hundred schools of thought contend is a method of developing science and developing truth." He further said that within the sphere of the Constitution of the PRC, various kinds of learning, sciences, and thought, be they correct or erroneous, should be allowed to go their own way and not be interfered with. There were so many kinds of doctrines, like Lysenko's theories, non-Lysenko doctrines, and so on and so forth. Let them all go their own way. In May 1956, Comrade Lu Dingyi gave a talk to scientific circles and literary and art circles on "letting a hundred flowers blossom and a hundred schools of thought contend" and in a systematic manner explained this guideline of the party Central Committee. When he talked about the natural sciences being governed by their own law of development, he emphatically pointed out: "If on certain medical theories, theories of biology or other natural sciences, we should put such class labels as 'feudalism' or 'capitalism' or 'socialism' or 'proletarian' or 'capitalist,' as, for example, earmarking Michurin's theories as being 'socialist' or calling Morgan's genetics 'capitalist' -- all such acts would be categorically erroneous and we should never believe in them."

In order to carry out the party's guideline of letting a hundred schools of thought contend, the Chinese Academy of Sciences and the Ministry of Higher Education jointly convened in Qingdao in August of the same year a group discussion meeting on genetics. At the meeting, scientists of different schools of genetics expressed their views and fervently discussed the various problems which the two schools in the world had hotly contested over the past several decades. This was the first relatively large-scale discussion meeting in the realm of natural science since the party's advocacy of the guideline of letting a hundred schools of thought contend, and it had great effects on the country as a whole.

Since then, the dull atmosphere of a single school of thought ruling in the field of genetics in the country has been broken and a lively phenomenon has begun to reappear in teaching and scientific research work on genetics in our country. In his letter to Comrade Hu Qiaomu, Comrade Mao Zedong confirmed that positive results had been attained in the group discussion meeting on genetics. He expressed his welcome and support of the free discussion and contention among the various schools of genetics.

Professor Li Ruqi, encouraged by the guideline of letting a hundred schools of thought contend and recalling the results attained at the group discussion meeting on genetics, wrote an article entitled "A Talk on Letting a Hundred Schools of Thought Contend From the Standpoint of Genetics." Referring to his own particular field, he elucidated the role played by the guideline on letting a hundred schools of thought contend in encouraging independent thinking, promoting the unity of scientists, and facilitating scientific research. From this he drew the conclusion that only in contending and debating can the right and wrong in literature and art be straightened out. He pointedly stated: "In the past, in our process of learning from the Soviet Union, if it is said that we were guilty of formalism and doctrinairism then it could only be that we allowed only one school to have all the say. This was displayed in a particularly outstanding manner in the field of genetics and the results it achieved are well-known to everybody. Allowing only one school to have all the say can only result in the ossification of thought. If everybody knows how to quote from the classics and believes in what other people say, then in due course of time this will give birth to a generation of 'ideological lazybones.' In the article, Professor Li further stressed the importance of scientists consciously learning from Marxism and continuously engaging in transformation of thought.

Comrade Mao Zedong agreed with the viewpoint of this article, and, based on the history of the growth and development of the various sciences in the course of their struggles, drew the highly theoretical conclusion that letting a hundred schools of thought contend "provides the only road to the development of science." In this way, he searchingly revealed the objective law governing the development of science and opened up a broad road for the smooth development of the scientific enterprises of our country.

II

In these letters Comrade Mao Zedong further told us that in order to correctly understand and implement the guideline of letting a hundred schools of thought contend we must allow the different schools of the sciences to freely vent their divergent views on academic matters and to criticize their errors in thought.

Comrade Mao Zedong advocated and supported free discussions on divergent views concerning problems in academic matters and opposed the adoption of simplified measures in handling controversial questions in the field of science. In the letter of 19 February 1956 addressed to Liu Shaoqi, Zhou Enlai, and other comrades, he touched on this problem. At the end of 1955 a Soviet scholar who was giving lectures in China visited the home village of Sun Yat-sen and expressed to our guide accompanying him his disagreement with Comrade Mao Zedong's criticism, in his book "On New Democracy," of Sun Yat-sen's theories of world outlook. At the time, certain units were of the opinion that this kind of talk affected "the prestige of the responsible comrades of our party" and asked whether or not this should be reported to the relevant authorities of the Soviet Union. In his letter, Comrade Mao Zedong pointed out: "This kind of free discussion should not be banned. It only expresses divergent views in thought on literature and art and anybody is free to express them."

"There is no so-called damage to prestige. If ever any attempt is made to suppress or ban them, then it would categorically be a mistake!" In his letter of 28 July 1958 to Comrade Zhou Gucheng [0719 6253 1004], Comrade Mao Zedong further displayed his careful and correct attitude toward free discussions on divergent views concerning problems of literature and art. Between the years 1956 and 1958, among circles in philosophy and logic, violent discussions raged on questions such as the relationship between formal logic and dialectics. In the discussions, those centered on the views of Comrade Zhou Gucheng lasted longest and had the largest number of participants. In 1958, Zhou wrote to Comrade Mao Zedong requesting him to write a preface for his new book "Formal Logic and Dialectics," which was shortly to be published (contents of the book comprised seven articles by Zhou Gucheng and six articles by other writers). In his reply, Comrade Mao Zedong, starting from the standpoint of encouraging free discussions on problems relating to literature and art, wrote in earnest: "The problem is still subject to controversy. For me to step in now does not seem appropriate for the present. I regret my inability to accede to your request to write the preface." On 7 June 1959, when writing, on behalf of Mr Zhang Shizhao, explanatory notes on the second edition of Zhang's book "Guide to Logic," Comrade Mao Zedong again expressed his approbation of the discussions that had taken place all the while, saying: "In recent years, the science of logic has elicited extremely great interest from among the literary and art circles. On the question of the scope of logic and its relationship to materialist dialectics, the discussions have been many and fervent, truly displaying great enthusiasm." This shows his support and encouragement of free discussions on problems related to art and literature.

Moreover, Comrade Mao Zedong also advocated that in letting a hundred schools of thought contend, Marxism be given the leadership role in criticizing errors and promoting the development of truth. In the comments on Li Ruqi's article which he wrote for the RENMIN RIBAO issue of 30 April 1957, he clearly pointed out: "We welcome errors being thoroughly criticized (all erroneous thoughts and measures should be thoroughly criticized) and at the same time appropriate and constructive views being offered." Similarly, in the explanatory notes he wrote for the revised edition of Zhang Shizhao's book "Guide to Logic," he mentioned that criticism would be welcome: "In the reprint of an old publication, we dare not say that it will be of any use in the controversies now raging among the various schools of thought. What we are fervently praying for is that it can be used as part of the reference materials; that, perhaps, it can elicit criticism and comment from the readers on my work; that it can staunchly protect correct theories; that erroneous thoughts can be singled out; and that it can lead to truth being more clearly understood day by day." In his two letters on Zhang Shizhao's book "Guide to Liu Zongyuan's [2692 1350 0337] Writings," Comrade Mao Zedong likewise touched on the problem of the correct treatment of criticism. Zhang had sent a copy of his book to Comrade Mao Zedong. The book was a special research work on a collection of Liu Zongyuan's writings. It made an evaluation of the political changes in the Yong Zhen years of the Tang Dynasty and fully supported the political doctrines of the "two Wang's" and "eight Sima's." From various sides the writer testified to Liu Zongyuan's progressive character in history, particularly in comparison with his adversary Han Yu [7281 1937]. The book lauded Liu Zongyuan's thought of "treating the people as masters," and criticized Han's viewpoint of "taking the people as enemies." The entire volume made a comprehensive analysis of the character, in ideology and in literature and art, of Liu's writings and may be aptly considered as a comprehensive volume explaining Liu's works. Unfortunately, the writer failed to make good use of the viewpoints of dialectical materialism and historical materialism in the study of history and in elucidating Liu's writings. It lacked a class analysis of this historical personage of Liu Zongyuan and rather over-exaggerated Liu's progressive character in history.

After reading this book, Comrade Mao Zedong wrote to Zhang Shizhao on 18 July 1965, saying: "This book's big problem concerns that of materialism, that is to say, principally the question of class struggle." "Future historians may criticize you on this point. Please be prepared in spirit and fear not other people's criticism." In writing to another person, at the same time as affirming this book's new ideas and good points, he pointed out that because the author was not conversant with the viewpoint of materialism and confined himself to interpreting Liu's works from his own viewpoint on various fields such as literature, history, and philosophy, this book could be criticized in later days by historians with the support of the viewpoint of materialism. If this should ever happen it would be just as well. This is to say, in the study of literature and art, we should employ the viewpoints of dialectical and historical materialism to study and comment on problems. This thought on the part of Comrade Mao Zedong was also revealed in his other letters. For example, he pointed out: "In China, if the study of history is not conducted with the methods of Marxism, then we are just wasting our energy and cannot obtain good results." ("Selection of Mao Zedong's Letters," p 386)

The guideline of letting a hundred schools of thought contend is a Marxist guideline. It is opposed to the "leftist" stand of suppressing free discussion on divergent views in problems of literature and art and is also opposed to the liberalized and rightist tendency of the capitalist class which allows the overflowing of erroneous ideas. The guideline of letting a hundred schools of thought contend not only does not ban the criticism of erroneous thought but, just the reverse, also makes the basic demand that, led by Marxism, we should carry out democratic discussions in literature and art so that, by means of criticism and self-criticism, correct things can be developed, erroneous things can be overcome, and socialist scientific enterprises can continuously flourish.

Naturally, in undertaking and developing criticism, it is necessary to follow Comrade Mao Zedong's advocacy of Marxist principle, to adopt a correct attitude and method, to avoid the use of simple and rude measures, and to achieve the objectives of insisting on truth, rectifying errors, demarcating between right and wrong, and uniting the comrades.

III

These letters of Comrade Mao Zedong also told us that in letting a hundred schools of thought contend, we should adopt a correct attitude.

Comrade Mao Zedong's letter to Comrade Zhou Gucheng [0719 6253 1004] fully reflected his practical and realistic Marxist attitude in treating problems of literature and art. This is well worth our studying. The main reason for his refusal to write the preface to the book "Formal Logic and Dialectics" was: "I have not made much study of logic; hence, I dare not make any comment thereon." The principle followed all along by Comrade Mao Zedong was the adoption of an extremely solemn and scientific attitude toward theoretical problems and problems of literature and art. In 1951, Mr Fu Dingyi [4569 1353 0001] wrote to Comrade Mao Zedong asking him to write a few comments for the second edition of his "Lien Mien Dictionary." In reply, Comrade Mao Zedong told him: "I have not yet studied your publication; hence, I cannot make any comments." ("Selection of Mao Zedong's Letters, p 461) In 1961, Comrade Gang Kejia [5258 0344 1367] wrote to Comrade Mao Zedong asking for an appointment to talk on poems and songs. In his reply, Comrade Mao Zedong said: "Concerning the question of poems, I still need to make a study before I have the right to speak; hence, will you please wait for a while?" ("Selection of Mao Zedong's Letters," p 589) We should derive enlightenment from and be educated by these letters and learn from his cautious attitude and practical and realistic spirit on theoretical problems and problems of literature and art.

In our academic research and writings on literature and art, our views and what we produce may not necessarily be perfect but subjectively we should be extremely responsible to the people and to the social enterprises. In turning out what we produce, we must consider its social effects and strive to turn out top-grade products.

This batch of letters also reflected Comrade Mao Zedong's idea that we must assume a status of equality and a contentious attitude in the discussions on theoretical and academic issues when meeting with specialists and prestigious persons. Comrade Mao Zedong's letter to Zhang Shizhao and Guo Moruo [6753 3105 5381] in support of the discussions on the divergent views concerning the authenticity of the "Lanting Preface" illustrated this point. Concerning the tablet bearing an inscription of the "Lanting Preface," Li Simin, emperor of the Tang Dynasty, adjudged it as being the calligraphic work of the noted scholar and calligrapher Wang Shizhi [3769 5032 0037] of the era of the Eastern Jin Dynasty. However, even since, in history, people have offered their dissenting views. Following the unearthing, in the vicinity of Nanjin, of the tomb of Wang Xingzhi [3769 5032 0037] and his wife and of the tomb of Xie Kun [6200 2492]. Comrade Guo Moruo published, in issue No 6, 1965 of WEN WU [CULTURAL RELICS] an article entitled: "A Discussion on the Excavation of the Wang and Xie Tombs and the Authenticity of the 'Lanting Preface.'" The article asserted that the essay following the "Lanting Preface" was not the original work of Wang Shizhi and that judging from the style of the calligraphy it was not written by Wang himself. The article was emphatic that the original characters were written by the monk Zhi Yong [2535 3057], a celebrated calligrapher of the Chen and Xu Dynasties. Following the appearance of Guo's article, a staff member of the Nanjin Research Institute on Literature and Art History, a Mr Gao Ershi [7559 0059 6624], wrote an article entitled "Rebuttal on the Authenticity of the 'Lanting Preface,'" expressing his disagreement with Guo's views. Gao sent his article to the magazines for publication but was rejected. He then sent a copy of it to Zhang Shizhao, who, in turn, forwarded it to Comrade Mao Zedong. In his reply of 18 July 1965 to Zhang, Comrade Mao Zedong wrote: "I have read Mr Gao's article criticizing Guo. His main theme was that it was not possible to unearth tombstones with inscriptions of the calligraphic styles of "Zhen" [4176], "Hang" [5887], or "Cao" [5430]. It is certain that characters in the "Cao" style have not been inscribed on tombstones, but whether or not the other two styles were ever so inscribed can only be seen from future excavations of tombstones. In any case, discussions and controversies are necessary. I would suggest to the elderly Guo that he support the publication of Gao Ershi's article." At the same time, he wrote to Comrade Guo Moruo, enclosing Gao's article and a copy of his own letter to Zhang. In his letter to Guo, he wrote: "To have literary disputes is better than not to have them." Subsequently, Gao's article was published in the issue of 23 July 1965 of GUANGMING RIBAO. It can thus be seen that Comrade Mao Zedong advocated the correct and equal treatment of divergent views. People in different positions and belonging to different schools or factions should all enjoy equal rights in giving vent to their views on literature and art and an equal opportunity to publish them. We should abide by this principle in carrying out free discussions in the academic field. In the course of discussions, we should not only express our own views but should also absorb other people's correct views, overcome the errors in our own viewpoints, and thus amend our weak points with other people's strong points.

From Comrade Mao Zedong's letter, we can discern his intimate concern with, and concrete help to, scientists, scholars, and other intellectuals. As an example, we may cite his support and approbation given to Mr Zhang Shizhao in the latter's revision of his book "Guide to Logic." After reading Mr Jin Yuelin's [6855 1471 7207] article entitled: "Self-Criticism on My Old Book 'Logic,'" Zhang decided to revise his own book "Guide to Logic," and to republish it.

Comrade Mao Zedong was exceedingly pleased with Zhang's decision and in his letter of 7 June 1959 to Zang, he wrote with great warmth: "I politely congratulate you that at your advanced age you still have the state of mind of being practical and realistic, of making diligent efforts, of being deeply impressed by Jin's article and firmly determined to revise your old work." In addition, he personally wrote an explanation on the reprinting of Zhang's "Guide to Logic." In thus being deeply concerned with and extending help to the intellectual elements Comrade Mao Zedong aroused their enthusiasm for the socialist scientific and cultural enterprises. This is fully worth our learning from.

It has been over 20 years since Comrade Mao Zedong's advocacy of the guideline of "letting a hundred flowers blossom and a hundred schools of thought contend." The pros and cons of the experiences we have gathered from the prolonged practice of this guideline have taught us that if only we can insist on being led by Marxism and Mao Zedong Thought and follow the party line since the 3d Plenary Session of the 11th CPC Central Committee, then this "double-hundred" guideline certainly can be even better implemented and the scientific and cultural enterprises of our country will also attain even greater growth and more prosperous development.

1984 INDUSTRIAL PRODUCTION BEGINS WELL

OW112036 Beijing XINHUA in English 1640 GMT 11 Feb 84

[Text] Beijing, February 11 (XINHUA) -- China's 1984 industrial production is now off to a good start, despite heavy snow and rain in major industrial areas, including Shanghai.

In January the country's total value of industrial output was 51.6 billion yuan (about 25.8 billion U.S. dollars), up eight percent over January 1983, according to the State Statistical Bureau today. The corresponding increase was 7.3 percent for light industrial output value and 8.7 percent for heavy industrial output value.

The country produced last month 9.34 million tons of oil, 59.04 million tons of coal and 30 billion kilowatt-hours of electricity, representing increases of 5.6 percent, 3.8 percent and 4.7 percent respectively compared with the same month of last year.

The January output of steel, pig iron, rolled steel, cement and motor vehicles was higher than that of December 1983, according to the bureau.

The country registered even greater increases in the production of consumer durables and household electrical appliances. The increase for tape recorders, T.V. sets, cameras, household refrigerators and washing machines ranged from nearly one third to 150 percent, according to the bureau.

Rain and snow in January once halted traffic along some sections of the railways in areas along the lower reaches of the Yangtze River, including Shanghai and Jiangsu Province.

Despite this, China's railways transported more passengers in January this year than in the same month a year ago.

INDUSTRIAL PRODUCTION, PROFIT INCREASES REPORTED

OW140019 Beijing XINHUA in English 1451 GMT 13 Feb 84

[Text] Beijing, February 13 (XINHUA) -- Fifteen Chinese provinces, municipalities and autonomous regions last year achieved balanced increases in industrial production and in deliveries of taxes and profits to the state, a national economic work conference now in session here reported.

Participants have described this as a "healthy trend" in China's economic development, a turn away from the previous stress on high production quotas over consumer demand.

Jilin Province, a major machine-building and chemical center, delivered to the state 16.4 percent more profits and taxes in 1983 than in 1982, following a 14.1 percent increase in its industrial output value. Provincial revenue rose by 19.8 percent, according to Vice-Governor Gao Dezhan. Jilin was formerly plagued by overstocking of industrial products, he said.

Despite increased output value, he said, more than 45 percent of its major enterprises suffered losses in 1981. The deficits, totalling 248 million yuan (124 million U.S. dollars), were the largest of China's 29 provinces, municipalities and autonomous regions. In the past two years, Gao said, enterprises have followed policies linking production with consumer demand, enabling them to improve the variety and quality of their output, while reducing consumption of energy and materials.

In Shandong Province, steps have also been taken to satisfy consumer demand, said Vice-Governor Liu Peng. Enterprises producing top-quality goods have been given priority in supplies of energy and materials. In 1983, he added, 86 factories were shut down or geared to produce other products for their inferior products.

Between 1979 and 1983, industrial enterprises in Zhejiang Province raised both industrial output and deliveries of profits and taxes at an annual average rate of ten percent, Vice-Governor Wu Minda said.

MORE FEMALE LEGAL WORKERS NEEDED

OW151341 Beijing XINHUA in English 0906 GMT 15 Feb 84

[Text] Beijing, February 15 (XINHUA) -- A Women's Federation leader has called for more women to be trained in legal work. Speaking at a discussion on legal protection of the legitimate rights and interests of women and children, Luo Qiong, vice-president of the All-China Women's Federation, said that training more women in legal work would be an effective measure towards such protection as provided for by the Constitution.

Luo Qiong, who is also a member of the Law Committee of the Sixth National People's Congress, said that the small number of women in legal work could not meet the increasing needs of the country. She noted that China now had only about 1,200 full-time and part-time women lawyers, or about 10 percent of the country's total. The numbers of women judges at higher People's Courts and Intermediate people's courts account for only 18 and 15 percent respectively. At basic people's courts, where most cases in the past few years have been concerned with women's and children's affairs, women judges account for only eight percent. Yet China is a country with half a billion women, and 30 percent of the population is under 15, she said.

Luo hoped that more enrollment of women students in law schools would be considered and that government departments would attach great importance to the training of more women in legal work. "In grassroot organizations," she pointed out, "women legal workers would make better down-to-earth investigations, and hence be more effective in protecting legitimate rights of women and children." Luo Qiong also called for further concern about the women and children issue from society at large, for large-scale publicity on their rights and for professional research on the subject.

The discussion, sponsored by the China Law Society, is part of the current Beijing law publicity drive month, with the protection of women's and children's rights as its main theme. Similar activities have been held in 28 provinces, municipalities and autonomous regions. The drive includes free legal advice, law publicity booths in business centers, parks, railway stations and other public places, photo displays and radio programs on the legal system, and leaflets and stage performances to explain laws and legal procedures.

NATIONAL TRADE FAIR OPENS IN HANGZHOU

OW101814 Beijing XINHUA in English 1450 GMT 10 Feb 84

[Text] Hangzhou, February 10 (XINHUA) -- A national trade fair of miscellaneous goods opened here today. On display for sale are bamboo-woven articles, fireworks, household metal goods, as well as potted plants and pets, which fall into over 1,000 varieties.

China is the world's leading exporter of bamboo-woven articles and fireworks, according to a spokesman for the trade fair, scheduled to end on February 20. More than 100 businessmen from Hong Kong, Macao and foreign countries attended the opening ceremony.

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[Text] Article by Chen Yun: "On Cadre Policy (September 1983)"

Article by Mei Xing: "Brilliant Documents for Consolidating the Party Ideologically, Politically, and Organizationally -- Introducing 'Selected Works of Chen Lun (1926-1949)'"

Article by He Dongchang: "The Guiding Policy of Developing the Socialist Cause of Education -- Understanding Gained by Studying 'Selected Works of Deng Xiaoping'"

Article by Jing Ping: "Do a Good Job of Integrating State Monopoly and Decentralized Management, Improve the Output-Related System of Contracted Responsibilities"

Article by Lu Rizhou and Du Chuangye: "Several Questions in Improving the Output-Related System of Contracted Responsibilities on the Household Basis"

Article by Qian Zongqi: "Can the Capitalist Relations of Production Automatically Develop What Is Useful and Discard What Is Not?"

Article by Jiao Yongfu: "Rambling Thoughts"

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"Explanatory Notes to the Article 'On Humanism and Alienation'"

Article by Jin Weihua: "State Affairs and Family Matters"

RADIO SPARK SAYS DENG TRIES TO 'MAUL' HUA GUOFENG

OW030825 (Clandestine) Radio Spark in Mandarin to China 0900 GMT 2 Feb 84

[Text] Comrades! Young friends! According to an internal document of the CPC Central Committee, circulated among only the leading cadres, Hua Guofeng made an unsuccessful attempt at suicide under the encirclement, suppression, and retaliation carried out against him by the Deng-Hu clique. It is reported that Deng Xiaoping insisted in a recent statement that Hua Guofeng must be overthrown because there are many Hua Guofeng supporters within the party who want to see him reinstated. It is for this reason that the Deng faction has time and again pressed Hua Guofeng to make self-criticism. Hua Guofeng has not only refused to do so, but has also protested this pressure with his suicide attempt. It is not at all surprising that Deng Xiaoping is trying vigorously to pursue and maul Hua Guofeng. It is also understandable that Hua Guofeng has obstinately resisted Deng Xiaoping's encirclement, suppression, and retaliation against him.

In the movement to repulse the right deviationist attempt at reversing correct verdicts launched during the Cultural Revolution, Hua Guofeng made several speeches criticizing Deng Xiaoping. It will be of practical significance to study these speeches again now, because it will help us understand certain things.

In 1976, when the movement to repulse the right deviationist attempt at reversing correct verdicts reached its high tide, Hua Guofeng made one of these speeches to the teachers, students, staff members, and workers of Qinghua University in Beijing. Now we would like to invite our comrades to listen to some excerpts of this speech taken from a recording.

Hua Guofeng said: The teachers, students, staff members and workers of Qinghua and Beijing Universities have set a very good example for the whole nation by keeping close to the focus of struggle of the current revolutionary movement to carry out effective counterattacks against the right deviationist attempt at reversing correct verdicts. Whether or not a penetrating and thoroughgoing effort can be made in carrying out the current movement will be a matter of great importance to the destiny and future of the party and state.

Hua Guofeng said: Today's struggle against that unrepentant capitalist-roader does not aim only at dealing with those superficial strange tales and absurd arguments, nor is this struggle, as he described it, one between persons holding the same principles but taking different approaches. No, this is not the case. This is rather a struggle between the proletariat and the bourgeoisie to seize the power of leadership and decide what direction China will take. Chairman Mao said that if people of Lin Biao's ilk should come to power, it would be very easy for them to practice capitalism. Whom did he have in mind when he made this statement? Since Lin Biao had already died, it of course was not meant for Lin Biao to hear. Rather, it was meant for the ears of that capitalist-roader.

He and his followers were already busy with their rounds of sinister errands only a few days after he came back to power. He not only flatly denied having made any mistakes, he also made no mention whatsoever of the painstaking education offered him by the party and Chairman Mao. On the contrary, that capitalist-roader within the party pushed for restoration and retrogression on the educational front. On the science and technology front, he advocated professional research and management by specialists, and opposed carrying out socialist revolution on the front. On the literary and art front, he attacked the model revolutionary theatrical works.

Hua Guofeng said: As the situation developed, it reached such an extent that that capitalist-roader even had the audacity to repeatedly neglect the persuasions of Chairman Mao and the party Central Committee and stepped up his efforts to skip down the erroneous road. He and his followers -- some of them within the central departments and some in local departments -- formed a clique to pursue their selfish interests. While rejecting young cadres whose viewpoints were different from their own, they installed in various leading posts one round after another of unrepentant capitalist-roaders and persons with serious political problems, changed the nature of political power, and practiced the dictatorship of the bourgeoisie.

In conclusion, Hua Guofeng said: Now, a final word about Deng Xiaoping. He has committed serious mistakes. However, the party still hopes that he will see his own mistakes, seriously examine and criticize these mistakes, accept the help of the party and of revolutionary comrades, return to Chairman Mao's correct line, and work with us with one heart and one mind. There are some people in some localities who want to protect him. In my view, there is no use for them to try. What is needed is for him to come to his senses himself. It is best for him to be able to protect himself. Of course, we can allow him a period of time to realize his mistakes. Moreover, we have the patience to wait. We only wish that, from now on, he will no longer persist in his mistakes. Is it befitting a communist to make such utterances about the home-going legion, opposition to young people, or not being afraid of becoming the target of struggle once again?

The above speech was made by Hua Guofeng to the students, faculty, and workers of Qinghua University in 1976 when the movement to repulse the right deviationist attempt at reversing correct verdicts was developing. As Hua Guofeng in his speech had hoped, Deng Xiaoping later seemed to realize his mistakes and made a self-examination. Following the communique on the 3d Plenary Session of the 10th CPC Central Committee, two letters from Deng Xiaoping to Chairman Hua, Vice Chairman Ye, and the CPC Central Committee were disseminated on 3 May 1977 by the CPC Central Committee. In these letters, Deng Xiaoping acknowledged his mistakes and expressed the hope that Hua Guofeng would lead the CPC Central Committee to implement Chairman Mao's line correctly and in all-round way. As for the time of his rehabilitation and his post after the rehabilitation, he said he would fully abide by the CPC Central Committee's decision.

Meanwhile, at a forum held at the time of the 3d Plenary Session of the 10th CPC Central Committee, Deng Xiaoping seriously criticized Liu Shaoqi, affirmed the achievements of the Great Cultural Revolution, called Hua Guofeng the wise leader, and emphasized that there would be nothing to worry about if Hua Guofeng acted as the master. Nonetheless, when Deng Xiaoping had succeeded in seizing power and taking the reins into his own hands, he immediately changed his attitude and became ruthless. He not only retaliated against Hua Guofeng, but even sent into limbo those people who had once supported him, such as Ye Jianying, Xu Xhiyou, and Wei Guoqing. Now Deng Xiaoping has initiated the party rectification movement to get rid of the "three types of persons" and "five types of persons," and to strike at and persecute young people and cadres.

This series of facts fully indicates that Hua Guofeng's previous speech criticizing Deng Xiaoping is still correct and is of practical significance in a certain sense. From this we can see clearly how despicable Deng Xiaoping's political quality is.

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PRC REGIONAL AFFAIRS
EAST REGION

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ANHUI MARKS ANNIVERSARY OF WANG JIAXIANG'S DEATH

HK150942 Beijing GUANGMING RIBAO in Chinese 8 Feb 84 p 2

[Report by Xue Changci: "Anhui Commemorates 10th Anniversary of Wang Jiaxiang's Death"]

[Text] The 10th anniversary of the death of Comrade Wang Jiaxiang, a revolutionary of the older generation, fell on the 25 January. The Anhui Provincial Academy of Social Sciences and the Association of Social Scientists organized commemoration activities on the 19th and 20th.

At a forum, the comrades of the provincial Academy of Social Sciences reported on the life and revolutionary activities of Comrade Wang Jiaxiang. The comrades present at the forum highly praised Comrade Wang Jiaxiang's contribution to the Chinese revolution. At the Zunyi conference, his critical vote, which firmly put Comrade Mao Zedong in the leading position, constituted an immortal contribution to saving the Chinese revolution. All those present also praised his fine character of having the courage to adhere to truth and correct his mistakes.

The commemoration activities included a small-scale exhibition on Comrade Wang Jiaxiang's revolutionary activities and a large-scale report meeting.

Comrade Wu Xiuquan, and Zhu Zhongli, Comrade Wang Jiaxiang's wife, wrote letters and articles to mark the occasion.

XIANG NAN TAKES PART IN FUJIAN TREE-PLANTING

OW070201 Fuzhou FUJIAN RIBAO in Chinese 21 Jan 84

[Excerpts] In the afternoon of 20 January some 600 people including leading comrades of the provincial CPC Committee Xiang Nan, Ma Xingyuan and Hu Hong; leading party and government comrades of Fuzhou City; and leading comrades of the provincial Military District and Fuzhou military subdistrict led cadres of government organs and CYL organs at the provincial and city level in planting trees in the Gushan area and carrying out manual labor in the nearby scenic district, setting a good example in launching the campaign for obligatory tree-planting this spring.

The area where the trees were planted yesterday was located in a district 3 kilometers from the Gushan scenic district. Each person fulfilled the task of planting 5 trees.

A comrade from the city park administration said: "The masses are sometimes reluctant to plant trees in the scenic district, because they cannot fell trees there, after they have grown into forests. Therefore, there are no economic benefits in planting trees there." Comrade Xiang Nan said: "The mountains are not too high here. Fruit trees can be planted here. In the first 3 years people can grow sweet potatoes. After the fruit trees have grown and borne fruit, the income from the fruit will replace that from the sweet potato, thus solving the income problem." Because there was still time left, the leading comrades of the provincial CPC Committee and those of the Fuzhou City CPC Committee went to an area about 12 kilometers from the Gushan scenic district to check the terrain there and study plans for overall afforestation in Gushan district.

CHEN GUODONG ADDRESSES MILITIA IN SHANGHAI

OW150629 Shanghai City Service in Mandarin 1100 GMT 14 Feb 84

[Text] Yang Di, secretary of the Shanghai Municipal CPC Committee, addressed a militia and mobilization work meeting of the Shanghai Garrison on the afternoon of 14 February.

He emphatically pointed out: The militia is an important force that should not be ignored. At present, the huge militia force should, working in coordination with the PLA and the Public Security Department, defend coastal waters and border regions, guard important installations, maintain social order, carry out emergency missions, and play a backbone role in the course of building spiritual and material civilizations.

Yang Di pointed out: We should energetically advocate the inclusion of militia work in the agenda of the leading cadres of party and government organizations and include militia training in production and management plans in order to strengthen militia building.

Comrade Yang Di said: The experience of the Huangpu District in organizing young militia members on Nanjing Road to launch a campaign to build civilized streets has particularly been praised by the departments concerned with the General Political Department and by the leaders of the Nanjing PLA units. All other units should seriously learn from and popularize its good experience, organize the militia to unfold the activities of building civilized streets, villages, and schools, and ensure good standards of social conduct.

Present at the meeting were Chen Guodong, first secretary of the Shanghai Municipal CPC Committee and first political commissar of the Shanghai Garrison; Qin Changxi, chairman of the Armed Forces Committee of the municipal party committee and political commissar of the Shanghai Garrison; Guo Tao, vice chairman of the Armed Forces Committee and commander of the Shanghai Garrison; and other members of the Armed Forces Committee.

Deputy Commander Yang Di read an order at the meeting issued by the Nanjing PLA units to the effect that the secretaries of the party committees of the ten districts in Shanghai serve concurrently as the first political commissars of the district People's Armed Forces departments.

RURAL WORK CONFERENCE OPENS IN SHANGHAI

OW140355 Shanghai City Service in Mandarin 1100 GMT 13 Feb 84

[Excerpts] A conference on rural work, sponsored by the municipal party committee, opened at the Pujiang Hotel this morning.

Ruan Chongwu, secretary of the municipal party committee and vice mayor of the municipality, presided over the conference. He pointed out: In accordance with the guidelines set forth in the party Central Committee's Document No 1 of 1984, this conference should particularly discuss the questions of raising productivity, broadening channels of circulation and developing commodity production on the basis of stabilizing and improving the responsibility system.

More than 300 persons are attending the conference, including party committee secretaries and administrative heads of the municipality's 10 suburban counties, deputy county heads in charge of economic work, responsible persons of some communes, supply and marketing cooperatives and state farms as well as leading comrades of municipal departments concerned.

At this morning's session, Chairman (Pang Shuchun) of the municipal Agricultural Commission made a report entitled "Emancipate the Mind, Continue To Carry Out Reforms and Raise Suburban Commodity Production to a New Level."

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PRC REGIONAL AFFAIRS
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ZHEJIANG COMPLETES COUNTY RESTRUCTURING

OW142329 Beijing XINHUA Domestic Service in Chinese 1250 GMT 14 Feb 84

[By reporter Ma Li]

[Text] Hangzhou 14 Feb (XINHUA) -- The restructuring of the county-level leading bodies has been basically completed in Zhejiang. The restructured leading bodies have made initial headway in creating ranks of cadres more revolutionary, better educated, younger in average age, and professionally more competent.

Through administrative reform, the total number of members of party and government leading bodies in the province's 85 county-level units had dropped by 109, and the average age of members, who are between 30 and 50 years old, is 42.5, or 8.1 years younger than before. Of the members of the new party and government leading bodies, 77.9 percent are at least high school-educated, and 50.7 percent are college-educated. There are 59 counties, or county-level cities and districts in which the leading bodies have at least one college-educated member. The new leading bodies are also staffed by specialists who know how to utilize local resources, and 18.2 percent of the total number of members of these party and government leading bodies are engineers, agronomists, and technicians in other fields.

ZHEJIANG TO AWARD MORE POSTGRADUATE DEGREES

OW140923 Hangzhou Zhejiang Provincial Service in Mandarin 1030 GMT 13 Feb 84

[Excerpts] Recently, with the approval of the State Council, another unit in Zhejiang Province was authorized to grant doctoral degrees, and doctoral courses in 12 specialized subjects have also been added. Three other units were also authorized to grant master's degrees, and courses leading to master's degrees in 13 new specialized subjects are being provided. As a result, the province now has 5 units authorized to grant doctoral degrees, doctoral courses of 32 specialized subjects, and 10 units offering master's degrees and courses leading to master's degrees in 129 specialized subjects.

The State Council also approved the namelist of professors giving doctoral courses in some of the institutions of higher learning in the province.

GUANGDONG CPC TRANSMITS CIRCULAR ON INTELLECTUALS

HK141244 Guangzhou Guangdong Provincial Service in Cantonese 1130 GMT 11 Feb 84

[Text] Recently, the Organization Department, the Propaganda Department, and the United Front Work Department of the provincial CPC Committee transmitted the circular of the Central Organization Department, the Central Propaganda Department, and Central United Front Work Department on seriously reviewing the implementation of policies toward intellectuals and offering specific views on implementing the circular.

In transmitting the circular, it was pointed out: The work of reviewing the implementation of policies toward intellectuals which was carried out throughout the province in 1982 has further promoted the implementation of policies toward intellectuals. However, discrepancies still exist between what the province has done and the requirements of politically treating intellectuals equally without discrimination, boldly employing them in work, and showing concern for and taking care of their livelihood, which were put forward by the central authorities. We must continue to do a great deal of work to solve many problems. The phenomena of discriminating against, excluding, and striking blows at intellectuals in some prefectures and units have constantly occurred. The situation whereby one does not do what one has learned and one is engaged in an occupation having nothing to do with one's specialty is still relatively serious. Concerns about work, study, and livelihood are relatively big. All this is not beneficial to giving full play to intellectuals' enthusiasm and does not meet the needs of our province's four modernizations. Therefore, it is very necessary to seriously review the situation in implementing policies toward intellectuals. In accordance with the central instructions, we must lay stress on reviewing the following several problems:

1. Do the cadres who are intellectuals and who have joined leadership groups at all levels have functions, powers, and duties? How should we give play to their role? What experiences have we gained?
2. Have the intellectuals been rationally employed? Have they been offered jobs suited to their special training? Have they put their specialty to good use? Have we properly employed returned Overseas Chinese and family members of Overseas Chinese who are intellectuals and experts and students who have recently returned from abroad, Hong Kong, Macao, and Taiwan? What problems have been encountered? What problems exist with regard to resettling qualified persons in special fields and in scientific and technological fields who have left our country and who want to return home?
3. What work have we done for political study, professional study, and advanced studies by qualified persons in special fields and in the scientific and technological fields? What problems have been encountered?
4. After reviewing the situation in 1982, all prefectures and departments proposed ways to solve the problems which affect intellectuals in politics, work, livelihood, and study and which hindered them from giving play to their role. Which problems still have not been solved? What are the reasons?
5. What work have we done in recruiting intellectuals into the party? Have we delayed recruiting into the party intellectuals who are eligible for membership in the party? Are we prepared to solve this problem?

6. Have we promptly dealt with and implemented the instructions by the central authorities and our upper levels? Have we run counter to or failed to implement the instructions? We must lay stress on reviewing middle-aged and young professional backbone elements. We must really and seriously solve their problems.

Due to structural reform and change of personnel, in order to strengthen leadership in reviewing work, the provincial CPC Committee has decided to readjust and reinforce the former reviewing intellectuals work leadership group with Wang Ning, secretary of the provincial CPC Committee, as the head; and with Yang Yingbin, Standing Committee member of the provincial CPC Committee; Wang Pingshan, vice governor; and Bai Xiucheng, director of the Organization Department of the provincial CPC Committee, as the deputy heads. Responsible comrades of the Propaganda Department, the United Front Work Department, the Economic Work Department, and the Rural Work Department of the provincial CPC Committee; the provincial Public Security Department, the provincial Personnel Bureau, the provincial Science and Technology Committee, the provincial Overseas Chinese Affairs Office, and the Organization Department of the Guangzhou City CPC Committee will be appointed members of the leadership group. Under the leadership group there will be a liaison office, which will be set up in the Organization Department of the provincial CPC Committee.

The leadership group of the provincial CPC Committee to review the situation in implementing policies toward intellectuals has decided to organize a part of the elderly cadres who have stepped down to the second and third lines, who are in good health, and who understand and are enthusiastic for work concerning intellectuals, to take part in the review. It has demanded that all cities, prefectures, counties, and units at and above the provincial subordinate bureau level reinforce and put on a sound basis the reviewing work leadership organs and that they organize forces to carry out reviewing work immediately.

GUANGZHOU PLA SIMPLIFIES MEETINGS, DOCUMENTS

HK140537 Guangzhou NANFANG RIBAO in Chinese 8 Feb 84 p 4

[Report: "The Headquarters of the Guangzhou PLA Units Simplifies Meetings, Documents, and Telephone and Cable Messages and Overcomes Bureaucratism in Carrying Out Party Rectification"]

[Text] In the current party rectification, the headquarters of the Guangzhou PLA units has realized simultaneous rectification and correction of defects. It has simplified its meetings, documents, and telephone and cable message, overcome bureaucratism and formalism in its work, and enhanced its work efficiency. Since the beginning of this year, it has grasped three things in a down-to-earth manner.

The first thing is to conscientiously cut the number of meetings to a minimum. After the formation of the new leading group of the headquarters last year, there still existed the phenomenon of too many meetings being held. In the course of studying the documents on party rectification, the headquarters CPC Committee and the cadres of the organs at various levels held that they should no longer be tied by this invisible rope. Therefore, when making arrangements for the meetings to be held this year, the number of meetings to be attended by leading cadres of various large units and the number of persons taking part were both reduced; meetings that could be combined were not to be held separately; and meetings that could be held at the lower levels were not to be held at the higher levels.

All the professional meetings were to be presided over by the leading cadres of the professional departments and attended by professional cadres; the leaders should not be asked to "be mere observers at meetings," the role of the professional departments were to be brought into play, and the upper-level activities of the leading cadres were to be reduced. In this way, the 11 meetings originally planned were reduced to 6.

The second thing is to vigorously simplify the contents of documents and telephone and cable messages. On the basis of last year's reform of writing style, and with particular reference to the existing problems at present, the headquarters CPC Committee emphasized the implementation of the following three measures: The first measure is to resolutely cut the number of documents and telephone and cable messages to a minimum. All the messages that can be communicated by documents will not be dispatched by cables, all the messages that can be communicated via the telephone will not be communicated by documents, and the amount of cables being transmitted should be brought under strict control. The second measure is to effect concise and essential writing and strive to write 100-character cables and 1,000-character documents so as to raise the quality of documents and cables. The third measure is that leading cadres at various unit levels should draft and revise their documents and cables personally so as to ensure the quality of the documents. In the first 10 days of January, the professional departments drafted a report on the implementation of the spirit of the conference of the chiefs of staff of the Army and on strengthening the building of the administration of the headquarters, and this report was repeatedly revised by the leaders of the headquarters personally before being sent for publication. At present, the amount of documents and cables of the administration has been reduced and the quality has been raised.

The third thing is to promote routine work using party rectification and strengthen leadership in the military work of the units. The headquarters CPC Committee made an overall arrangement for party rectification studies and for various kinds of work, and made use of the intervals in party rectification to concentrate time and organize personnel to go to various basic military units. Comrade Liu Gunzhi [0491 1317 2535], secretary of the headquarters CPC Committee and chief of staff, has repeatedly emphasized that routine work should be grasped with the spirit of conducting party rectification and that the results of party rectification should be reflected in the achievements in work. In the last 10 days of January, 95 administrative cadres in 43 work teams were organized to go to the units under their respective jurisdiction to inspect and study the units' work since the beginning of the current training. They will help solve concrete problems and solicit opinions on the work of party rectification of headquarters. The headquarters CPC Committee has done a good job in carrying out simultaneous rectification and correction of defects, which is practically reflected in their work and style, thereby strengthening the confidence of the cadres and party members in successfully fulfilling the task of party rectification in accordance with the planning of the central authorities.

HENAN CONFERENCE ON PEOPLE'S CONGRESS ELECTIONS

HK150753 Zhengzhou Henan Provincial Service in Mandarin 1030 GMT 14 Feb 84

[Summary] "From 10 to 13 February, the provincial conference on the work of electing new city and county people's congresses and CPPCC committees to replace the old ones was held in Zhengzhou." Preparations for the elections were made at the conference.

"At the beginning of the conference, Zhao Wenfu, chairman of the provincial People's Congress and deputy head of the provincial CPC Committee's guidance group responsible for the election of new city, county, and township people's congresses to replace the old ones, made an important speech in which he said:

"The current election of new city, county, and township people's congresses to replace the old ones is carried out according to the NPC's decision on the problem of moving up the date for the election of new city people's congresses to replace the old ones after the merging of prefectures with cities, its decision concerning the time for the election of deputies to the county and township people's congresses, and the decisions approved by the Third Session of our province's Sixth People's Congress. This is a nationwide election of new city, county, and township people's congresses following the promulgation of the new Constitution. It is required that the work to replace the old people's congresses with new ones must be completed by the end of 1984.

"Liu Zhengwei, secretary of the provincial CPC Committee and head of the provincial CPC Committee's guidance group responsible for the election of new city, county, and township people's congresses to replace the old ones, made a summary report at the conclusion of the conference." He emphatically pointed out the need to accomplish properly the work to replace the old city, county, and township people's congresses and the old city and county CPPCC committees by the end of 1984. He said: "All parts of the province should, on the basis of actual local circumstances, make specific arrangements and carry out elections by stages and in groups. It is necessary to have two sets of leading bodies which help each other to advance. In this way, neither the elections nor production will suffer.

"Present at the conference were the members of the provincial CPC Committee's guidance group responsible for electing new city, county, and township people's congresses to replace the old ones, the leading comrades in charge of election work in various parts of the province, and the responsible comrades of the Standing Committees of the people's congresses, the CPPCC committees, and the Civil Administration departments."

HUBEI LEADER ON IMPROVING FORESTRY PRODUCTION

HK150940 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 14 Feb 84

[Excerpts] This morning, provincial People's Congress Standing Committee Chairman Han Ningfu and Vice Chairmen Li Fuquan, Shi Chuan, Chu Chuanyu, and Li Shaonan went to (Hongshan) District in Wuhan City to plant trees together with the cadres and masses of (Huashan) Township. The party and government leaders of Wuhan City and (Hongshan) District and a number of office workers also took part in planting trees. After planting the trees, Han Ningfu enthusiastically affirmed the achievements attained by (Hongshan) District in launching a voluntary afforestation drive in the past 3 years. In order to develop forestry production more speedily, Comrade Han Ningfu made four suggestions: 1) The development of forestry should be integrated with the development of agriculture, animal husbandry, sideline occupations, and fishery so that they can promote each other and develop in an all-round way. It also should be integrated with urban services. There should be a large variety of tree seeds and fruits. This should also enable the peasants to gain practical benefit so that the situation of passive afforestation can be changed into active afforestation. 2) It is necessary to pay close attention to forestry techniques, to cultivate fine varieties, and to solve the problem of sapling shortage. 3) It is necessary to make a success of the responsibility system, to ensure that people plant trees and keep them alive. There should be both rewards and punishments. 4) It is necessary to step up inspection work so that the afforestation plans can be genuinely fulfilled and practical results attained.

He called on the delegates to the People's Congress at various levels to assume the duty of carrying out inspections.

I. 16 Feb 84

PRC REGIONAL AFFAIRS
SOUTHWEST REGION

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SICHUAN CONFERENCE ON TRADITIONAL MEDICINE OPENS

Yang Rudai Addresses Meeting

HK140621 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 10 Feb 84

[Summary] The Sichuan provincial conference on the work of invigorating traditional Chinese medical science opened in Chengdu on 10 February. This conference is being held by the provincial CPC Committee and the provincial government in accordance with the principle and policy of the CPC Central Committee on developing traditional Chinese medical science and with the spirit of the instructions of leading comrades of the central authorities.

Attending are responsible comrades of all prefectures, cities, and autonomous prefectures and responsible persons of public health and medical departments and medical, educational, and scientific research units of traditional Chinese medical science, totaling some 550 people. The opening ceremony was attended by leading comrades of the provincial CPC Committee, the provincial Advisory Committee, the Ministry of Public Health of the State Council, the provincial People's Congress Standing Committee, the provincial government, and the provincial CPPCC Committee, including Yang Rudai, Tan Qilong, Cui Yueli, Nie Ronggui, Yang Chao, Xu Chuan, Liu Yunbo, and Xu Chonglin; by responsible comrades of the Ministry of Public Health and relevant departments at the provincial level; and by all members of the provincial traditional Chinese medical science leadership group. Tian Bao, member of the Central Advisory Commission, who is in Chengdu, attended the opening ceremony.

The opening ceremony was presided over by Vice Governor Kang Zhenhuang. On behalf of the provincial CPC Committee and the provincial government, He Haoju, Standing Committee member of the provincial CPC Committee and vice governor, made a report. Yang Rudai, Cui Yueli, Tan Qilong, and Yang Chao spoke at the opening ceremony in turn.

The conference praised the important part that traditional Chinese medical science has played in our country over the past several thousand years. The conference pointed out the excellent situation in our province's traditional Chinese medical science. The conference said that starting this year, the province will appropriate special funds of 2 million yuan for traditional Chinese medical science every year. In the future, these funds will gradually increase according to how the financial situation improves. All places must also appropriate a certain amount of special funds from their revenue for traditional Chinese medical science.

The conference emphasized: "Invigorating traditional Chinese medical science is a strategic measure. We must draw to it a high degree of attention from the comrades of the whole party and from governments at all levels. Through party rectification, we must solve the problem of understanding the importance of developing traditional Chinese medical science. In particular, leaders of the medical and public health departments must heighten their understanding, must guarantee the implementation of the party's principles and policies, and must contribute to invigorating our province's traditional Chinese medical science." At the conference, Yang Rudai, secretary of the provincial CPC Committee, stated: "Invigorating traditional Chinese medical science is a component part of invigorating China and is a major task of the whole province. We must attach special importance to the work of invigorating traditional Chinese medical science and traditional Chinese medicine."

Yang Rudai said: "We must develop both modern medicine and traditional medicine. Linking traditional Chinese medical science with Western medical science is just a characteristic of our medical and public health front. We must greatly develop traditional Chinese medical science and traditional Chinese medicine." CPC committees and governments at all levels must really strengthen leadership over this work. All departments must support them.

Cui Yueli Addresses Conference

HK140623 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 11 Feb 84

[Text] On 10 February, at the Sichuan provincial conference on the work of invigorating traditional Chinese medical science, Cui Yueli, minister of Public Health of the State Council, stated that to make traditional Chinese medical science meet the needs of the four modernizations and to build up medical and public health work with Chinese characteristics, it is necessary to develop our country's traditional Chinese medical science in a planned way.

Minister Cui Yueli said: Sichuan is one of the provinces whose population is large and whose culture is relatively flourishing, and is also a place where famous doctors through the ages assembled. Sichuan's traditional Chinese medical science and traditional Chinese medicine have occupied an important position in the whole country and have enjoyed great prestige. When we study the proposal of the 12th party congress on building up medical and public health work with Chinese characteristics, Sichuan has sounded the bugle call to invigorate traditional Chinese medical science. This conference is of great significance. The resolutions made by the conference will not only contribute toward the health of the people in Sichuan Province but will also produce an important effect on public health work throughout the country.

YIN FATANG ADDRESSES XIZANG AGRICULTURAL MEETING

HK151500 Lhasa Xizang Regional Service in Mandarin 1130 GMT 15 Feb 84

[Text] The regional meeting on agricultural and livestock work, which is being held by the regional CPC Committee and People's Government, opened in Lhasa on the morning of 15 February. Responsible persons of the regional CPC Committee and Advisory Committee, regional People's Congress Standing Committee, and the regional People's Government, including Yin Fatang, Duojiecaidan, Ba Sang, Song Ziyuan, Duojicairang, Cao Xu, Li Wenshan, Hu Songjie, Nie Ruizhou, Zhang Zhengwen, Shengqin Luosangjianzan, Buduoji, Yang Zongxin, Pu Qiong, Jipu Pingcuocideng, and (Wu Changxi), are attending the meeting. Relevant responsible comrades of regional subordinate organs and all prefectures and cities also are attending the meeting, which is presided over by Ba Sang, secretary of the regional CPC Committee.

Ba Sang first emphasized the importance of this meeting. He said: In order to further emancipate the mind, make the party's rural and pastoral policies flexible, stabilize and perfect the production responsibility system, mobilize the people of all nationalities throughout the region to do everything possible to strive for even greater achievements in agricultural and livestock production this year, and implement even better Document No 1 of the CPC Central Committee, this meeting must be held well. It will surely be held well.

In dealing with the specific contents of this meeting, Ba Sang said: This meeting must discuss and revise the views of the regional CPC Committee on how to implement the central authorities' Document No 1 of 1984 and the views of the regional People's Government on how to implement the spirit of the State Council's conference on minority-nationality production and livelihood.

In light of Xizang's realities and his personal experience, Zhang Zhengwan, Standing Committee member of the Advisory Committee of the regional CPC Committee, conveyed the spirit of the national conferences on agricultural work and on minority-nationality production and livelihood. In the course of conveying their spirit, Zhang Zhengwan said: The central authorities have firmly, meticulously, and correctly grasped rural work. This practical and realistic method of work and work style has set an example for the whole party.

Yin Fatang, first secretary of the regional CPC Committee, demanded: All comrades attending the meeting, in light of realities, must study and discuss the spirit of Document No 1 of the central authorities, heighten their understanding, widen their field of vision, emancipate their minds, use their brains, and resolutely get rid of the things which shackle the masses' arms and legs. They must unclog all channels, develop productive forces even better, and really and gradually solve the big problem of two transformations.

XIZANG CPC GROUP DISCUSSES PARTY RECTIFICATION

HK150919 Lhasa Xizang Regional Service in Mandarin 1130 GMT 12 Feb 84

[Summary] "Recently, the regional office of the party rectification work guidance group held a get-together of party principal leading persons and comrades in charge of party rectification in the regional units which are the first to carry out this work. The participants of the get-together focused on discussing the questions of how to profoundly understand the spirit of the party rectification documents in the study of party rectification, how to grasp the principal contradictions in their units, and how to soundly and satisfactorily carry out their work.

"What was reflected in the get-together showed that most of the region's units where party rectification was being carried out had been able to conscientiously and carefully study the documents which the CPC Central Committee and the regional CPC Committee had ordered them to study. They also had been able to carry out discussion while conducting the study, to put forth problems that are directly related to opening up new prospects in their units and problems about which the masses of people had relatively great complaints and which could be solved immediately. The leading cadres of these units in particular have adopted a serious and conscientious attitude toward the study, and thus have relatively quickly heightened their ideological consciousness and improved their political quality, already scoring initial achievements in their work of simultaneous rectification and correction of defects.

Xizang party rectification began earliest in the regional Meteorological Bureau. This unit has paid attention to problems in the following aspects: 1) The leading groups should take the lead in studying party rectification documents. 2) The unit manages to ensure study time, materials, and participants in order to carry out the study effectively. 3) In light of the actual situation in the unit, the people there have grasped the principal contradictions and formulated measures to conduct simultaneous rectification and correction of defects.

On the other hand, the regional Party School, Xizang Academy of Social Sciences, and other units paid attention to understanding the essential spirit of the documents, thus deepening their understanding of the significance, aim, principles, policies, and methods of the party rectification.

"The get-together noted that there were also some units which had failed to soundly grasp the study of party rectification documents and to organize time, materials, and participants for the study. The phenomenon of making a show of the study exists there." This was because some party members and cadres had muddled ideas about party rectification, and therefore could not grasp the principal contradictions in their units when they were carrying out simultaneous study and discussion. In the final analysis, these people failed to fully understand the line, principles, and policies formulated by the party since the 3d Plenary Session of the 11th CPC Central Committee. This is the crux of the malpractice of making a show of party rectification study, and we should give priority to solving this problem.

"The responsible comrade of the office of the regional Party Rectification Work Guidance Group relayed at the get-together the requirements put forth by the responsible comrades of the regional CPC Committee for the study of the party rectification documents. He said that we had to solve the problems related to every party member's understanding of the necessity and urgency of the task of party rectification." All party members should understand the necessity and urgency of party rectification in light of the goal of developing production and overcoming the serious unhealthy trend within the party. "Only when all our party members really understand the essential spirit of the party rectification documents, can they consciously fight against all practices that are harmful to the party." By doing so, they will be able strictly to compare themselves with the requirements for party members and find where they fall short. Thus, they will be able to improve themselves and strive to become fine qualified party members. Moreover, they will strive to raise their level of political consciousness so as to adapt themselves to the resolution on party rectification and other documents. Thus they will be able to maintain their political identity with the CPC Central Committee.

He said: "The regional CPC Committee calls on us to adhere to the principle of carrying out simultaneous study, discussion, rectification, and correction of defects during the period of party rectification study. If we fail to study profoundly and thoroughly and thus fail to deeply understand the essential spirit of the party rectification documents we will not be able to grasp the key to party rectification. How can we grasp the principal contradictions in order to carry out simultaneous rectification and correction of defects if we cannot grasp the key? We should determine the principal contradictions in our work on the basis of a good understanding of the essential spirit of the party rectification documents and in light of the tasks in our units. We should regard these principal contradictions as points at which to make a breakthrough and thus open up new prospects for simultaneous rectification and correction of defects as soon as possible."

He said that some units had failed to discover the principal contradictions though they had found quite a few minor problems. He cited the problems found in the regional Meteorological Bureau, the regional Department of Agriculture and Animal Husbandry and other organizations, and said that these units had grasped the principal contradictions in their work. "He said that among the various tasks for opening up an all-round new prospect in our socialist modernization, the task of first priority was to push our socialist economic modernization forward. In the period of party rectification study, we should strive to be the first to focus on doing the work related to this priority task in light of the actual situation in the work of our units. If we fail to find the principal contradictions in our units' work, we will not be able to find new methods or chart new paths and our desire to pen up new prospects in our units' work will be hopeless."

He said: The central authorities call on us to immediately solve the problems discovered in the process of party rectification, if these problems can be immediately solved. By so doing we will make the masses of people immediately see the actual effects of party rectification. He called on the units to immediately solve the principal contradictions in their units that are directly related to their work of opening up new prospects. If there are difficulties in solving these contradictions immediately, the units should conscientiously create conditions for their solution.

He said: Concerning problems related to religion, nationalities, united front affairs, and the principles and policies on the work in these units, they should spend time to discuss them in their party rectification study. In short, the study should be carried out closely in light of the actual situation in Xizang.

He concluded: At present, the study will soon be finished in 11 units. These units will soon start the second stage -- criticism and self-criticism. They should conscientiously examine the quality of their study to see whether they have really passed the stage of party rectification study. If they have failed to pass it, they should not enter the second stage.

XIZANG'S HUI NATIONALITY ACCORDED PRIVILEGES

OW150353 Beijing XINHUA in English 0229 GMT 15 Feb 84

[Text] Lhass, February 15 (XINHUA) -- About 3,000 people of the Hui nationality live in the Tibet Autonomous Region and are accorded certain privileges as a minority living within the boundary of another of China's minority nationalities. Unlike Tibetans whose religion is Lamaism, the Hui people believe in Islam. Their religion prohibits the eating of pork, and the beef and mutton the Huis in Tibet eat must be slaughtered in the traditional manner of the Muslims. The autonomous regional government allocates a certain amount of live sheep and cows to Huis and each person can get about 20 kilograms of meat a year. Recently a Muslim market, the first of its kind in the autonomous region, opened in Lhasa where special foods and goods are sold. There are now 11 butcher shops in the city serving Muslims.

Not long ago, the mosque in Lhasa, which was closed during the "Cultural Revolution", was reopened. There is also one school in Lhasa for Hui children, where the Arabic language and the Koran are taught.

About 40 officials with posts at county, prefectural and autonomous region level in Tibet are Huis. Over 90 percent of the region's population is Tibetan.

YUNNAN CPC MEMBER WU SHENMING DIES IN KUNMING

HK131524 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 12 Feb 84

[Excerpts] On 9 January, Comrade Wu Shengming, member of the Yunnan Provincial CPC Committee and vice chairman of the Standing Committee of the Sixth Provincial People's Congress, died of illness in Kunming at the age of 62. The memorial meeting for Comrade Wu Shengming was held in Kunming's Renmin Shengli hill on the afternoon of 9 February. It was presided over by Liu Minghui, chairman of the Standing Committee of the provincial People's Congress. Liang Jia, deputy secretary of the provincial CPC Committee, delivered the memorial speech.

NEI MONGGOL HOLDS PARTY RECTIFICATION MEETING

SK150405 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 14 Feb 84

[Excerpts] The Party Rectification Office of the regional CPC Committee held a report meeting of the first group of party rectification units of the regional organs from 11 to 13 February. Leading cadres of various departments, commissions, offices, and bureaus and party-member cadres at and above section level of the first group of party rectification units, totaling some 1,000 persons, attended the meeting. The meeting was presided over by Bu He, chairman of the Party Rectification Office. Wu En, vice chairman of the Party Rectification Office, relayed Comrade Zhou Hui's speech at the recent Standing Committee meeting of the regional CPC Committee and a report on the study situation of the first group of rotational training classes for Standing Committee members of the CPC Committee and vice chairmen of the People's Government. Liu Guiqian, vice chairman of the Party Rectification Office, delivered an important speech.

Since early January, the first group of party rectification units of the regional organs have extensively sponsored rotational classes for party members and conscientiously studied Comrades Deng Xiaoping and Chen Yun's important speeches at the 2d plenary session, and other relevant party rectification documents including the "Must Book for Party Members." Through the first-stage study, the broad masses of party members have clearly understood the necessity of party rectification, deepened their understanding of the basic principles, tasks, policies, and methods for party rectification, strengthened their confidence in party rectification, and boosted their enthusiasm for participation in party rectification. At the report meeting, the party committee of the regional organs, the Scientific and Technological Commission, the Educational Department, and the Research Institute for Culture and History delivered reports on their study of party rectification documents.

In his speech, Comrade Liu Guiqian introduced the progress of the first group of the party rectification units' previous stage of study, and expounded in particular on his specific opinions of the next stage of party rectification. He called on the first group of party rectification units to continuously study party rectification documents and further resolve the issue of unifying thinking. While carrying out party rectification, regional organs must solve prominent problems concerning their professions, the implementation of the three types of persons, and the training of leading bodies in the course of party rectification.

Comrade Bu He stressed at the report meeting: Efforts must be made to attend to the first-stage party rectification of the regional organs, conscientiously study and implement the party Central Committee's basic principles on party rectification, and make progress in current production and other professional work. It is necessary to exert efforts to reform. Anything that hinders the development of production and affects the masses in mobilizing their enthusiasm must be reformed. We must create a new situation in all fields of work through reforms.

SHANXI'S LI LIGONG ON DEVELOPING RURAL EDUCATION

HK090734 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 8 Feb 84

[Text] On 5 February, Li Ligong, secretary of the provincial CPC Committee, went to rural areas of Jiaocheng County. He talked about developing rural education while propagating the spirit of the CPC Central Committee's 1984 Document No 1. Comrade Li Ligong said: Some primary schools do not even have the minimum studying conditions. This problem must be solved as soon as possible without any delay. County CPC committees must include the issue of developing rural education on their important agenda.

The four modernizations cannot be carried out without education. They must understand this important issue of strategic significance. In managing education, the state has to provide economic support to the rural areas, which has already been done. However, the people in the rural areas must not rely just on the state. They must adopt various methods to run it. Under the prerequisite of voluntarism, the masses are welcome to run schools by raising funds. Judging from the present situation, the key to developing rural education lies in the teachers. The teachers are generally below standard. Some graduates are unwilling to teach in mountainous areas, but we can give appropriate treatment for their livelihood. From now on, when teachers' colleges in mountainous areas recruit students, they should adopt the directional method, that is, students will return to the places where they come from. They should greatly praise teachers who show enthusiasm for education in mountainous areas. Teachers must take examinations while they are at their posts. In the case of a promising teacher of a state-run school failing an examination, he must heighten his professional skill through advanced studies and training. If he simply does not meet the standard, he should take up another job. In the case of a teacher of a school run by the local people failing an examination, he should quit the job and must not lead the younger generation astray. We must try all means to develop education in mountainous areas, and must not breed new illiteracy any longer.

LI LIGONG PRAISES GRAIN SPECIALIZED HOUSEHOLDS

HK140920 Taiyuan Shanxi Provincial Service in Mandarin 2300 GMT 13 Feb 84

[Summary] Yesterday afternoon, the leaders of the provincial CPC Committee and government, including Li Ligong, Li Xiuren, Wang Senhao and others, received 19 comrades who took part in a forum attended by specialized households which have sold more than 100,000 jin of commodity grain, and had photographs taken with them.

Li Ligong, secretary of the provincial CPC Committee, said: "In 1983, your 19 specialized households, each of which sold more than 100,000 jin of commodity grain, made great achievements in grain production. This record-setting feat has never before been achieved in the history of our province. This is a great breakthrough. Yanbei Prefecture was a poor area known throughout the country. Last year, it set a record by doubling the total output value in agriculture. Of the 19 specialized households which sold more than 100,000 jin of commodity grain, 16 households were from Yanbei Prefecture. This is more than a breakthrough; it should be called a miracle. This has proved that great potential exists for grain production in Shanxi. This also has fully demonstrated that the line, principles, and policies of the party since the 3d plenary session are absolutely correct, and has enabled us to see clearly the superiority of our socialist system and the boundless creative power of the broad mass of peasants." He demanded that all trades and professions support those specialized households and peasants devoted to the development of commodity production.

In their talks, the provincial leaders encouraged all present to conscientiously implement the spirit of Document No 1 and lead the masses in developing commodity production and achieving common progress.

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PRC REGIONAL AFFAIRS
NORTHEAST REGION

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HEILONGJIANG RIBAO EDITORIAL ON ECONOMIC CRIMES

SK160746 Harbin HEILONGJIANG RIBAO in Chinese 21 Jan 84 p 1

[Editorial: "Continue To Deal Severe Blows at Serious Economic Crimes"]

[Text] The Judicial Department of Harbin City meted out severe punishments to Wang Chunshan and 17 other serious economic criminals, executing or sentencing those who deserved such. This shows the solemnity of the legal system and the sacredness of socialist property.

Under the leadership of the CPC Central Committee and the provincial CPC Committee, our province has scored great achievements in the struggle to deal blows to serious criminal activities in the economic field over the past 2 years. By the end of last year, 16,258 criminal cases had been exposed, of which 14,413 were concluded. Through the struggle, we have punished a group of serious economic criminals guilty of profiteering, swindling, smuggling, selling smuggled goods, embezzlement, theft, and giving and receiving bribes, and have recovered 23.3 million yuan of stolen money and goods. The struggle has greatly damped the arrogance of economic criminals and checked once-rampant economic criminal activities. The struggle, however, has been developed unevenly. "Dead angles" and "dead areas" still exist in some places, units, and fronts. Some localities are still soft-hearted and ineffective in handling economic criminals. We should clearly understand that dealing blows to serious criminal activities in the economic fields, as an indispensable move in building socialism, is one of the important guarantees for implementing the policy of opening to the outside world and enlivening domestic economy, for accomplishing the four modernizations, and is an important long-term task for the whole party. Leading cadres at all levels should take the initiative in attending to this struggle vigorously and on a regular basis with a high sense of responsibility to the party's cause and in the perspective of party spirit and party policies.

While universally strengthening in all areas, all departments should adopt effective measures to make a breakthrough in the "dead angles" and "dead areas" and open up a new prospect in the struggle within a definite time. Checkups should be conducted emphatically on coal, timber, grain, oil, and capital construction. Places where checkups are perfunctorily done should do them over again. Efforts should be made to emphasize the investigations and handling of major and appalling cases and to resolutely carry out the principle of dealing stricter and quicker blows. Cases of "going against the wind" should be investigated immediately after they are discovered and should be handled more strictly. All localities should learn from Harbin City how to handle a group of criminals publicly in a planned and purposeful manner and to deal severe blows to economic criminals. Continuous efforts should be made to conduct education against corrosion and to achieve success in tackling problems in a comprehensive manner. Typical economic cases should be selected and various measures adopted to educate party members, cadres, and the people in a vivid and specific way to combat corrosion and enhance political consciousness. We should make it clear that to deal blows to economic crimes is an important measure for party rectification and that all unhealthy trends within the party which are uncovered in our efforts to deal blows to economic crimes must be firmly grasped and sincerely corrected. The work to deal blows to economic crimes should be combined with enterprise consolidation. All localities should sum up experiences, improve and establish rules and regulations, strengthen economic management, and block loopholes in the course of the struggle.

CPC committees at all levels should strengthen leadership over the struggle. They should ascertain the actual situation and solve new problems in the struggle in a timely manner. They should organize the departments concerned to work in coordination and accelerate the investigations and handling of major and appalling cases.

Leading comrades should be assigned the responsibility for the investigation and handling of major and appalling cases and for a breakthrough in the "dead angles" and "dead areas." It is necessary to continuously sum up and popularize the experiences in the struggle and carry out this struggle, which will determine the success and failure of our socialist modernization, through to the end.

HEILONGJIANG RURAL CONTRACT SYSTEM TO BE IMPROVED

HK141057 Beijing RENMIN RIBAO in Chinese 11 Feb 84 p 2

[Report by Zhang Huanming: "Heilongjiang Provincial CPC Committee Decides To Improve Continuously the Responsibility System in Agriculture" -- boldface as published]

[Text] Harbin, 10 Feb (XINHUA) -- At a recent provincial rural work conference, the Heilongjiang Provincial CPC Committee decided to focus the province's rural work on the following three aspects in 1984, with a view to improving the contracted responsibility system on a household basis with payment linked to output:

1. VIGOROUSLY PROMOTE THE PRACTICE OF CONTRACTING NEW DEVELOPMENTAL PRODUCTION. The provincial CPC Committee calls on all local authorities to further free themselves from old ideas and to relax policies so that they will be able to contract barren hills, wastelands, unused waters, and waste grasslands to single households or several households combined, or else to the state, the collective, and the individual for joint development after they find out the real situation in these places, and to draw up plans for development. To promote the practice of contracting new developmental production, the provincial CPC Committee has also decided that these areas can be contracted for 5 years, 10 years, 20 years, or even longer.
2. THE CONTRACTED RESPONSIBILITY SYSTEM ON A HOUSEHOLD BASIS WITH PAYMENT LINKED TO OUTPUT WILL BE EXTENDED TO STATE-RUN AGRICULTURAL ENTERPRISES. The form of contracted responsibility system on a household basis with payment linked to output will this year become the main form of responsibility system in state-run farms and pastures. The production of maize, paddy rice, miscellaneous grains, beetroot, and other crops, which is mainly carried out by manual labor, can be contracted to individual households if they are willing to accept the arrangements and there are favorable conditions for doing so, while the production of wheat and beans, which is mainly mechanized, can be contracted to individual households or small mechanized farming groups rather than large groups. Meanwhile, efforts must be made in small farms being run by workers' families on a large area as an experiment, so as to give full play to the role of those who excel at farming.
3. DEVELOP HOUSEHOLDS SPECIALIZING IN PREPRODUCTION AND POSTPRODUCTION SERVICE TRADES AND ESTABLISH THE COOPERATIVE ECONOMY OF COMPREHENSIVE SERVICES. In 1984, Heilongjiang Province will energetically develop households specializing in technological service, transport, processing, storing, marketing, and other trades. These trades should be developed simultaneously and with good coordination.

LIAONING URGES STRUGGLE AGAINST CRIMINALS

SK150914 Shenyang LIAONING RIBAO in Chinese 27 Jan 84 p 1

[Commentator's article: "Dealing Blows to Criminals Must Never Be a Gust of Wind"]

[Text] At present, some people are worrying that the struggle to deal blows to serious criminals will pass as "a gust of wind." Such a misgiving is unnecessary.

We can see this from today's paper. Public security in urban and rural areas of our province has improved after concentrated efforts to deal severe blows to criminals. This is true. However, the current public security situation lags far behind the goal of fundamental improvement. In some localities criminal activities are many and the public security situation is still not good. Major criminal cases, particularly rape, robbery, and appalling theft, occurred frequently. Not only will a group of escaped and deeply hidden criminals continue to sabotage and make trouble, but also new criminals will crop up because of domestic factors and international influence. Therefore, dealing severe blows to criminals remains a long-term and arduous struggle. A few years ago procuratorial, judicial, and public security departments were indeed once ineffective in dealing blows to criminals. Such a situation has been and is being changed. The present guideline -- "strictly and promptly striking without letting one escape" -- that is applied to all serious criminals according to law was formulated by the CPC Central Committee precisely to counter the bad public security situation and the ineffective blows. We should persistently implement this guideline. The party and the government's determination to "thoroughly exterminate the evil" is unswerving. We must never doubt and lose confidence in this.

In the struggle to deal blows to criminals, we should persistently carry out the party's policy of "leniency to those who confess their crimes and severity to those who refuse to." All criminals should clearly understand the situation, sincerely repent and turn over a new leaf, quickly surrender themselves to the police, and expose the crimes of their company so as to win leniency. If they want to try their luck and continue to conceal their crimes, to fight stubbornly and to continue to commit crimes, they will be punished more severely. To deal severe blows to criminals is the most important among the measures to comprehensively tackle public security problems, which will create favorable conditions for the implementation of other measures. We should seize the present good opportunity to dig out and strike at serious criminals on the one hand, and to try to educate and save people with minor law violations on the other. With regard to those with minor law violations, particularly by misled youths, we should wholeheartedly and patiently educate, help, and save them like parents do their children with infectious diseases, teachers do errant students, and doctors do their patients, as set forth by Chairman Peng Zhen. We should ascertain their ideological situation and give specific help and education to counter their deeds so that they will turn over a new leaf at an early date and turn their negative factors into positive ones. This is an important area of our efforts to deal blows to crimes which we must not neglect. All quarters should work in close coordination and in a down-to-earth manner so as to achieve good results in this area.

The masses throughout the province should be further mobilized to vigorously assist procuratorial, judicial, and public security departments, fight continuously, advance on the crest of victories, unceasingly widen and deepen the struggle to deal blows to serious crimes, maintain public security during Spring Festival, safeguard modernization, and to win new victories.

EDITORIAL ON IMPROVING TRADITIONAL AGRICULTURE

SK150900 Shenyang LIAONING RIBAO in Chinese 21 Jan 84 p 1

[Commentator's article: "What Does 'Traditional, Fundamental, and Practical Task' Mean? -- Comment on a Traditional Idea Prevailing in Rural Areas"]

[Text] In developing commodity production, rural villages must do away with the traditional idea in which only by "turning out food from the earth" through physical labor can the rural people be "devoted" peasants sticking to the "traditional, fundamental, and practical task." Otherwise, they will be regarded as perpetrating dishonest practices.

In particular, such a view has taken root among a number of rural cadres. When making a fact-finding tour among rural villages to understand the situation prevailing in commodity production, it is noticed that cadres have a sense of pride in saying that "there are no persons who engage in such production here and they are only peasants who turn out food from earth and stick to the traditional, fundamental, and practical task" of farming.

The traditional, fundamental, and practical task itself is correct. We always stand for following the traditional, fundamental, and practical task of farming and for becoming wealthy through labor. However, it is not right for cadres to set the traditional, fundamental, and practical task as only working quietly without understanding commodity production well.

Efforts should be made now to correct the erroneous viewpoint of commodity production first. Developing commodity production in rural villages is objectively required by the program of achieving agricultural modernization. Only by developing the commodity economy highly can our country accelerate the pace of developing productive forces and gradually approach agricultural modernization. One of the characteristics of ancient and traditional agriculture is individual labor with the domination of the self-sufficient natural economy that is suitable to production from individual devotion, and also with the stagnant development of commodity production. Modern agriculture has actually emerged along with the development of commodity production among rural villages. One of the basic characteristics of modern agriculture is to socialize and commercialize production to a great degree. Agriculture provides such abundant commodities for the national economy that the economy is able to lay a solid foundation. Therefore, the major contribution made by peasants to their country is to provide a larger quantity and better quality commodities for it. Peasants who engage in developing commodity production not only deserve not to be discriminated against by others, but also deserve to be praised, supported, and respected by others. How can we regard them as not "sticking to their duty?"

Putting commodity production out of the "traditional, fundamental, and practical task" of farming is actually the thinking developed under the influence of the small-scale peasant economy. In ancient China, we regarded agriculture as "essential" and commerce as "trifling," and regarded those who engaged in commodity production as "attending to trifles to the neglect of essentials," or as "turning essentials and trifles upside down." According to our history, there were persons who stood for "strengthening essentials and curtailing trifles." Such a viewpoint, which has long developed under the influence of looking down on commerce and "taking agriculture as essential," has been deeply imprinted on the people's minds. During the rampancy of the ultra-leftist ideology raised by Lin Biao and the "gang of four," commodity production was criticized as following the capitalist road. Upon being labeled as "attaching importance to sideline production and looking down on agriculture" and "abandoning agriculture in order to engage in commerce," a large number of peasants and rural cadres were seriously persecuted, causing the people at present to still turn pale at the mere mention of commodity production. To open a road for developing commodity production, we must correct the term commodity production as meaningful and clarify right and wrong in regard to developing commodity production.

The traditional, fundamental, and practical task of farming, which is possessed by all peasants throughout the country, is a virtue which we should follow and carry forward.

In following the advancing era, the peasants of the 1980's, however, should have not only traditional virtues and agricultural technology, but should also readjust themselves to suit the program of achieving agricultural modernization. They should be activists who are good at integrating the various factors of production; should be new-style laborers who are full of cultural knowledge, skills, and economic resourcefulness and are able to develop productive forces; and should be experts who are good at developing commodity production. In this vein, the "traditional, fundamental, and practical task" of farming should be imbued with a new meaning. Only in this way can our peasants engage with perfect assurance in commodity production and also can our cadres justly and forcefully support peasants to develop commodity production.

TAIWANESE IN LIAONING COMMUNICATE WITH FAMILIES

SK110111 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 10 Feb 84

[Text] Through various channels, Taiwanese compatriots and their families in Beipiao County have established contact with their family members in Taiwan. At present, 19 persons have communicated with their family members in Taiwan by letters and a person left the country to meet his family members.

A letter to (Kong Lingbing), a descendant of Confucius after 76 generations and an engineer at the (Beishao) power plant, from a family member in Taiwan, expressed his regret at leaving his hometown and his will to return to his ancestral home, and pledged to try his best to realize the reunion of the people on both sides of the strait.

The 80-year-old mother in Taiwan of (Zhang Ya), teacher of Beipiao No 7 Middle School, sent him a tape to express her hope on the reunification of the motherland and the reunion of her children in the mainland in her remaining years.

LI XUEZHI DISCUSSES DOCUMENT NO 1 IN NINGXIA

OW141351 Beijing XINHUA Domestic Service in Chinese 0252 GMT 13 Feb 84

[By XINHUA reporter Zhao Chuangming and RENMIN RIBAO reporter Huang Xuming: "Spring in Manchun -- On Li Xuezhi, First Secretary of the Ningxia Hui Autonomous Region CPC Committee, Publicizing Document No 1 of the Party Central Committee"]

[Excerpts] On the afternoon of 8 February, the early spring air was chilly on the Yinchuan plain in Ningxia, known as "an area on the northern frontier that is like one south of the Chang Jiang." But Manchun Village, in the outskirts of Yinchuan City, was brimming with a warm feeling. Li Xuezhi, first secretary of the Ningxia Hui Autonomous Regional CPC Committee, made a long trip to the village to read and explain the party Central Committee's Document No 1. He had a happy gathering with specialized households and key households of Hui and Han nationalities, and they discussed ways to develop commodity production in the countryside.

Manchun Village is inhabited by more than 2,200 people of Hui and Han nationalities. Li Xuezhi is an old acquaintance of the villagers.

Li Xuezhi cordially asked Jin Xiulan, a female Communist Party member and member of a specialized grain-producing household, how much grain her household produced last year. Jin Xiulan frankly answered: More than 20,000 jin, of which more than 10,000 jin was sold to the state. Other income totaled more than 1,000 yuan.

Laughter drove away the spring chill and led the crowd into the warm conference room on a dairy farm. Li Xuezhi took a seat, brought out the party Central Committee's Document No 1, and began to read it word by word and sentence by sentence. When he finished reading the document's first two paragraphs, he explained every word and sentence. He had just finished explaining when village party branch Secretary Wang Shengming chipped in: In the past few years, the party Central Committee has issued a Document No 1 each year, showing the orientation of rural work.

Li Xuezhi said with a smile: The party's present policies are indeed good. In the past it was always held that "the poorer you are, the more revolutionary you become." Now it is stressed that "the more prosperous you become, the greater the honor you get." The party Central Committee urges the peasants to get rich and supports them to do so, therefore everyone should have the courage and know-how to get rich. What's wrong with peasants getting rich? When the people are rich, the country is strong. Li Xuezhi's talk made everyone laugh.

When Li Xuezhi said that the period of land contracts generally should be over 15 years, Jin Xiulan began to talk cheerfully: In the past, we always worried -- would the system of land contracts be changed? and we were rather afraid of investing more work in the land or applying more fertilizer. Now with the party Central Committee's new document, what is there to be afraid of?

NINGXIA RIBAO COMMENDS ARTICLE ON HUMANISM

HK110215 Yinchuan Ningxia Regional Service in Mandarin 2300 GMT 10 Feb 84

[Text] The 11 February NINGXIA RIBAO reprints the text of an important article by Comrade Hu Qiaomu published in LILUN YUEKAN [THEORY MONTHLY], entitled "On Humanism and Alienation."

While reprinting this 36,000-character article, NINGXIA RIBAO carries its own editorial note, which says: Comrade Hu Qiaomu's article "On Humanism and Alienation" applies Marxist principles, in close connection with China's realities, to give a thorough exposition of the antagonism between Marxist historical dialectics and the historical idealism of bourgeois humanism.

It dwells on the necessity of criticizing bourgeois humanism and publicizing socialist humanism. It criticizes the erroneous theory of so-called alienation in socialist society. It is of great significance for clearing away the ideological confusion that has existed among people for many years regarding questions of humanism and alienation, and also for promoting the healthy development of theoretical work and eliminating spiritual pollution on the ideological front. People can greatly enhance their understanding by seriously studying this article.

The article was originally published in issue No 2 of LILUN YUEKAN, which was run by the Central Party School.

XINJIANG'S WANG ENMAO VIEWS NATIONALITY POLICY

HK160452 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 15 Feb 84

[Excerpts] In his report delivered at the third regional party congress, Comrade Wang Enmao reviewed past work and summed up the experiences of history. He said: We have six main experiences and lessons:

1. It is necessary to unswervingly uphold the four basic principles, implement in an all-round and correct way the line, principles, and policies since the 3d Plenary Session of the 11th CPC Central Committee, and maintain a high degree of ideological and political unity with the CPC Central Committee. Practice has proven that the line, principles, and policies stipulated by the Central Committee since the 3d Plenary Session of the 11th CPC Central Committee uphold the four basic principles, are Marxist, and are completely correct. Our CPC Central Committee is strong and effective and has a very high standard of leadership. As long as we implement the party's line, principles, and policies in an honest, all-round, and correct way, and resolutely maintain ideological and political unity with the Central Committee, we will certainly be able to avoid leftist and rightist deviation; even if such deviations should occur on a partial scale, they can be promptly corrected, and we can ensure that our cause can continually develop along the correct path. Otherwise, we will make mistakes and our cause will suffer setbacks. This is a most important and profound experience and lesson.
2. Implementation of the party's line, principles, and policies must be integrated with the specific realities of Xinjiang. The party's line, principles, and policies are products of integrating Marxism with the specific realities of China. Fundamentally speaking, all of them are applicable to Xinjiang. However, Xinjiang is a border region, a multinationality region, and a place that practices nationality autonomy. Apart from its common conditions with the whole country, it has its own specific conditions and characteristics. Hence, we must be unswerving in carrying out the central principles and policies, and must also persistently base our efforts on Xinjiang realities, and implement them with initiative and creativity. In this way we can ensure that economic construction and all other work in the autonomous region can develop healthily.
3. Resolutely shift the party's work focus to economic construction, and persistently get a simultaneous grasp of building material and spiritual civilization. In the past 2 years and more, in accordance with the spirit of the 3d Plenary Session of the 11th CPC Central Committee and with the main points of the talk between comrades of the Central Committee Secretariat and of Xinjiang, we have decisively shifted the work to economic work and concentrated our main efforts there. The regional CPC Committee Standing Committee has treated economic construction work as the focal issue in its discussions and studies; it has made arrangements at the start of each year, reviewed work in the middle of the year, and summed up work at yearend.

It has exercised relatively sound leadership over economic work and persistently acted according to economic and natural laws. The party committees at all levels have also strengthened leadership over economic work, with the result that outstanding successes have been scored in this work. At the same time, we have vigorously grasped the building of spiritual civilization centered on communist ideology.

4. It is necessary to grasp strengthening nationality unity as the cardinal and major affair. Experiences of the past 30 years and more, and especially of recent years, have repeatedly proven that Xinjiang can only have a political situation of sustained stability and smoothly carry out economic and all other work if the region correctly implements the party's nationality policy and does well in promoting nationality unity. No work can be done successfully if nationality unity is not grasped well. This requires that we conduct extensive, thorough, and sustained education in the party's nationality theory and policies, and in nationality unity. We must give prominence to publicizing the idea that Hans and minority nationalities cannot do without each other, stress mutual trust, respect, support, learning, and understanding among the nationalities, vigorously commend good people and deeds in strengthening nationality unity, and correctly handle and properly solve problems in nationality unity.

5. We must at all times firmly trust the great majority of the cadres and masses of all nationalities. Our party is the faithful representative of the interests of the people of all nationalities. In the final analysis, all the work we carry out serves the interests of the people of all nationalities. As long as we uphold this fundamental program at all times and resolutely trust and rely on the great majority of the cadres and masses of all nationalities, everything can be done well, problems are easy to solve, and difficulties are not hard to overcome. Otherwise, we will inevitably make great mistakes; of course, we will be unable to succeed in uniting all forces that can be united and mobilizing all positive factors to build a modern socialist Xinjiang.

6. It is necessary to uphold democratic centralism in inner-party life. Bringing democracy into full play and achieving a high degree of centralization on the basis of a high degree of democracy constitutes an important guarantee for promoting the normalization of inner-party life and ensuring strong and effective party leadership. There can be no correct centralization and the party organization cannot form a strong leadership core without bringing democracy into full play, nor can this be accomplished if an individual alone has the say, leaving everyone else ill at ease. There are really too many and too profound lessons in this respect.

It is precisely in view of this lesson that the current regional CPC Committee seriously implements the principle of democratic centralism and practices collective leadership. The Standing Committee members act democratically and hold collective discussions on all important issues to unify their ideological understanding. They resolutely implement a decision after it has been reached. In this way we can carry forward our achievements, correct the mistakes, overcome difficulties, and rapidly press forward the advance of all undertakings.

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KMT NOMINATES CANDIDATES FOR PRESIDENT, VICE PRESIDENT

Chiang Ching-kuo Nominated

OW152235 Taipei CNA in English 0950 GMT 15 Feb 84

[Text] Taipei, Feb 15 (CNA) -- The Central Committee of the Kuomintang Wednesday morning nominated the incumbent President Chiang Ching-kuo, as the party's candidate for president in this year's presidential election. All members of the Central Committee gave a unanimous standing ovation to express their support of the nomination.

The nomination of President Chiang was proposed by the Central Advisory Committee in a resolution adopted Wednesday morning. The resolution also proposed that as the KMT candidate for the president, Chiang will recommend the candidate for the vice presidency to the Central Committee for formal nomination. The Advisory Committee's resolution was approved unanimously by the Central Committee.

At 11:45 a.m., all members of the presidiums of the Central Committee and the Central Advisory Committee headed by former president Yen Chia-kan visited Chairman Chiang Ching-kuo to inform him of the nomination. Chairman Chiang expressed his appreciation and pledged to do his utmost to work for the unification of China under the three principles of the people.

President Chiang, a native of Chekiang born on March 18, 1910, graduated from Sun Yat-sen University in Moscow and has conducted research in the USSR Military and Politics Institute before the Second World War. He has been chairman of the KMT Taiwan Provincial Headquarters, 1949-1950; director-general of the Political Warfare Department of the Ministry of National Defense, 1950-1954; member of the KMT's Central Reform Committee, 1950-1952; chairman of the Vocational Assistance Commission for Retired Servicemen, 1957-1964; vice minister of national defense, 1964-1966; deputy secretary-general of the National Defense Council, 1954-1967; minister of national defense, 1965-1969; vice premier and concurrently chairman of the Council for International Economic Cooperation and Development, 1969-1972; director of the China Youth Corps, 1952-1973; and premier of the nation, 1972-1978.

On Wednesday afternoon, President Chiang, in his capacity as KMT candidate for the presidency, nominated Lee Teng-hui, a member of the KMT's Central Standing Committee, as the party's candidate for vice president. The nomination was approved by the Central Committee.

Lee, who is concurrently governor of Taiwan Province, was born Jan 15, 1923 in Taipei County. A graduate of National Taiwan University, Gov Lee attended Iowa State University in the United States in 1952-53. He received his Ph.D from Cornell University, USA, in 1968. Lee has served as a research fellow at the Taiwan Provincial Cooperative Bank, 1955-1957; senior specialist at the Joint Commission for Rural Reconstruction; minister without portfolio; and mayor of Taipei. He became governor of Taiwan Province in December 1981.

Vice President Hsieh Retiring

OW152237 Taipei CNA in English 0934 GMT 15 Feb 84

[Text] Taipei, Feb 15 (CNA) -- Vice President Hsieh Tung-min has expressed his desire to retire and urged the Kuomintang Central Committee to endorse the vice presidential candidate President Chiang Ching-kuo will recommend this afternoon, the UNITED DAILY NEWS reported Wednesday.

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The paper quoted the 76-year-old Hsieh as saying that he plans to travel a bit after his retirement and then devote his time and energy to social service, including greater attention to the Shih Chien Home Economics College for Women which he founded years ago. The college is now headed by the vice president's son, Hsieh Meng-hsiung.

The vice president said he bought a piece of land at suburban Hsintien many years ago with a view to establishing a women's university and hopes to have the project realized. Hsieh also told the UNITED DAILY NEWS that he recently conveyed his wish to President Chiang in a letter. He did not disclose the President's response.

A native of Changhua, the vice president is a sixth generation Taiwanese of mainland origin. His ancestors came to Taiwan from Changpu County in Fukien across the Taiwan Straits. He went to the mainland in his youth to receive college education and did not return to Taiwan until after V-J Day. He has been in public service since.

Li Teng-hui Nominated Vice President

OW160027 Taipei Domestic Service in Mandarin 2300 GMT 15 Feb 84

[Text] The 2d Plenary Session of the 12th Chinese Kuomintang Central Committee came to a successful conclusion yesterday. The session elected new standing members of the Central Committee and issued instructions to Kuomintang members of the National Assembly on their political tasks to be carried out at the Seventh Session of the First National Assembly. More important, the session selected Messrs Chiang Ching-kuo and Li Teng-hui as the ruling party's candidates for the seventh president and vice president of the Republic of China respectively.

Biography of Li Teng-hui

OW160955 Taipei CNA in English 0938 GMT 16 Feb 84

[Text] Taipei, Feb 16 (CNA) -- Governor Lee Teng-hui, whom President Chiang Ching-kuo picked as his running mate Wednesday, will be the first government official with a doctoral degree to attain the exalted post of vice president. The son of a farmer at the village of Sanchih near Tamsui, Taipei County, the 61-year-old Lee is a graduate of the National Taiwan University, majoring in agronomy.

Later on he studied in Japan and the United States and earned his Ph.D degree at Cornell University. After teaching briefly at his alma mater, he entered public service, first at the Taiwan Provincial Department of Agriculture and Forestry and then at the now defunct Joint Commission on Rural Reconstruction.

When President Chiang became premier in 1972, he included Lee in his cabinet, giving him the post of minister without portfolio. He was the youngest among his colleagues.

In 1978, the cabinet appointed Lee as mayor of Taipei. During his 30-month mayoralty, Lee made an effort to give Taipei residents a richer cultural life, initiating such activities as the international arts festival and the construction of the Taipei Fine Arts Museum.

In December, 1981, Lee was made governor of Taiwan. Because of his family background and his academic training, he attached great importance to rejuvenating the province's agriculture and raising farmers' income with a view to slowing down the migration of rural youths to urban centers. Lee's pet project in this area is the creation of a so-called "agricultural corps" of 80,000 full-time farmers. Tall by Chinese standard, Governor Lee plays golf occasionally and is an amateur violinist.

Premier Sun Praises Choices

OW160341 Taipei CNA in English 0331 GMT 16 Feb 84

[Text] Taipei, Feb 16 (CNA) -- Premier Sun Yun-hsuan highly praised Wednesday the Second Session of the 12th Central Committee of the Kuomintang for nominating President Chiang Ching-kuo, who is concurrently the KMT chairman, as the ruling party's candidate to run in the nation's seventh presidential elections.

The premier also described President Chiang's choice of Taiwan Governor Lee Teng-hui as his running mate in the presidential elections a wise decision. Premier Sun said that Governor Lee has won the admiration of the people not only for his ability in administration and academic achievements but also for his spirit of taking up responsibility. In addition, Premier Sun continued Governor Lee is still young. The premier said that he believes both President Chiang and Governor Lee will certainly win the support of the National Assembly, which constitutes the nation's electoral college for the presidential elections.

The KMT's nomination of President Chiang to run for another term is not only to consolidate the party as well as the nation's leadership, but also to summon all Chinese people at home and abroad for the national cause of reunifying China through the Three Principles of the People.

EDITORIAL CRITICAL OF ROK APPROACHES TO PRC

OW150411 Taipei CHINA POST in English 11 Feb 84 p 4

[Editorial: "South Korea's Wishful Thinking"]

[Text] The reported overture to the Peking regime by the Republic of Korea to improve its relations with the Chinese Communists shows the ROK's indulgence in wishful thinking which will merely damage its anti-communist image.

The overture was made on behalf of the ROK Government by Australian Prime Minister Bob Hawke who conveyed the South Korean wishes to Chinese Communist "Premier" Chao Tzu-yang Wednesday. Chao was reported to have listened "with keen interest." Chao was also quoted as telling Hawke that Red China realizes it is not feasible for North and South Korea to reunite under one government.

Chao's remarks show that he supports the North Korean stand and there is no way for the Peking regime to be the go-between for South Korea to talk to North Korea.

As to the North Korean threat against South Korea, South Korean President Chon Tu-hwan called for tighter military readiness against possible armed provocation by North Korean commando units. This is the only thing the North Koreans understand.

South Korea's overture to the Chinese Communists, however, betrays a weakness which will surely be exploited by the Peking regime. At the same time, the ROK Government's image as an anti-communist nation will suffer. It will be a great pity if that happens.

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XU JIATUN 'VERY OPTIMISTIC' ON HONG KONG'S FUTURE

HK160750 Beijing XINHUA Hong Kong Service in Chinese 1615 GMT 15 Feb 84

[*"Xu Jiatun Visits 'China Nature Reserve Exhibition'" -- XINHUA Hong Kong headline*]

[Text] Hong Kong, 15 Feb (XINHUA) -- Xu Jiatun, director of the Hong Kong Branch of the XINHUA NEWS AGENCY, and Deputy Director Li Chawen went to the Hong Kong Museum this afternoon to see the "China Nature Reserve Exhibition. They were greeted by Sir Kenneth Ping-fan Fung, President of the Hong Kong branch of the World Wildlife Foundation; Hilton Cheong-leen, chairman of the Hong Kong Urban Council, and Philip Kwok, vice chairman of the Urban Council's Museum Commission.

In a conversation with Xu Jiatun, Hilton Cheong-leen said that he estimated the population of Hong Kong will be more than 7 million people in 2 decades. Xu Jiatun said: In addition to the factor of natural growth, there are also external factors contributing to the population growth. It also depends on the future role and development of Hong Kong. The more stable and prosperous Hong Kong is, the more money will flow in from Southeast Asia and other countries. He emphatically said: "I am very optimistic about Hong Kong's future development. With its good geographical position and its own good conditions, there will be greater development for Hong Kong in the future."

When talking about the prospects for the development of Hong Kong and Guangdong, Xu Jiatun said: "Hong Kong can help Guangdong in its development and Guangdong can also help Hong Kong. This is a relationship of mutual support and help. But the two places will not be linked together."

The exhibition is supported by the Hong Kong Urban Council and is jointly sponsored by the Hong Kong branch of the World Wildlife Foundation, the Environmental Protection Bureau of the Ministry of Urban and Rural Construction and Environmental Protection, the Beijing Natural Museum, and the Hong Kong Museum. Scheduled to run 3 months, the exhibition has been open to the public since 16 December last year. More than 50,000 people have toured it since it was opened.

UK OFFICIALS TO HOLD 'MINISUMMIT' ON HONG KONG

HK161052 Hong Kong Domestic Service in English 1000 GMT 16 Feb 84

[Text] A mini-summit on the future of Hong Kong is to be held later this month when both Foreign Office Minister Mr Richard Luce and British Ambassador to China Sir Richard Evans arrive in the territory. Nick Beecroft has the details:

[Begin recording] Only hours after it was announced that the minister responsible for Hong Kong, Mr Luce, will be visiting the territory on 25 February, it was revealed that Sir Richard would also be coming. The Foreign Office in London was quick to play down any rumors that the visits were particularly significant. A spokesman said that Mr Luce's visit was a part of his regular contact with Hong Kong community leaders. He said that Sir Richard would be present, just as previous Ambassador Sir Percy Cradock was present when Mr Luce visited Hong Kong in September last year. Both of them will of course meet with Governor Sir Edward Youde, who has just returned to the territory from Beijing after the ninth round of talks on Hong Kong's future. This is seen as a minisummit meeting enabling Mr Luce to be fully briefed on the latest position on the 1997 issue. [end recording]

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